STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. MINERAL LEASE NO:	6. SURFACE:
ML-23608	State

1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐

7. IF INDIAN, ALLOTTEE OR TRIBE NAME:

B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☐ MULTIPLE ZONE ☑

8. UNIT or CA AGREEMENT NAME: UNIT #891008900A

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE L.P.

9. WELL NAME and NUMBER: NBU 1021-13N

3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 948'FSL, 1602'FWL 627911X 44223434Y 39.943441 -109.502809
AT PROPOSED PRODUCING ZONE:

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 13 10S 21E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 28.4 MILES SOUTH OF OURAY, UTAH

12. COUNTY: UINTAH

13. STATE: UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
948'	640.00	40.00
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	**19. PROPOSED DEPTH:**	**20. BOND DESCRIPTION:**
REFER TO TOPO C	9,090	RLB0005237
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	**22. APPROXIMATE DATE WORK WILL START:**	**23. ESTIMATED DURATION:**
5212'GL		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8	32.3#	H-40	2,000	265 SX CLASS G	1.18 YIELD	15.6 PPG
7 7/8"	4 1/2	11.6#	I-80	9,090	1900 SX CLASS G	1.31 YIELD	14.3 PPG

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
☑ COMPLETE DRILLING PLAN
☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE Sheila Upchego DATE 2/23/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-047-39107

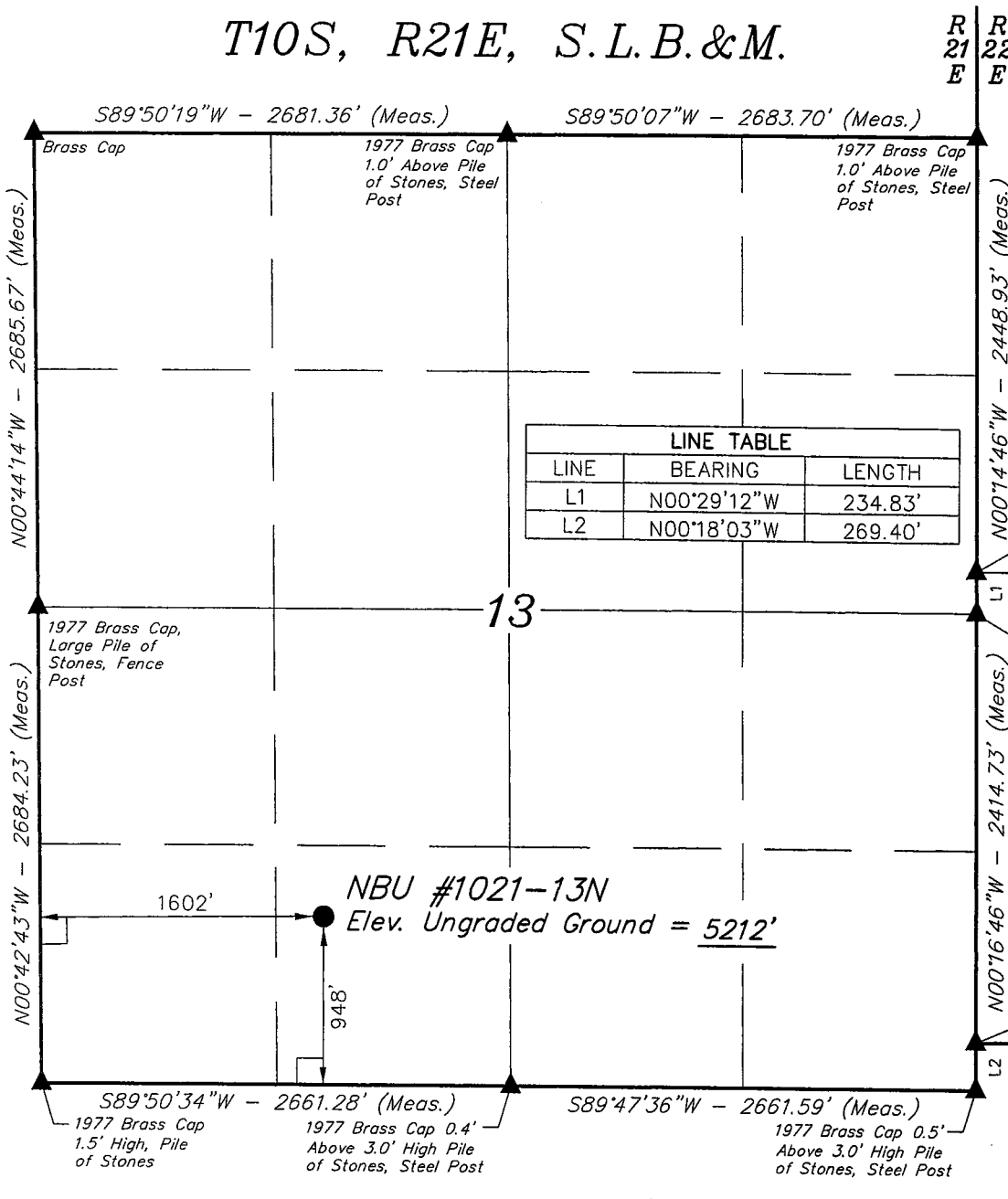
Approved by the
Utah Division of
Oil, Gas and Mining
APPROVAL:

Date: 04-24-07
By:

RECEIVED
MAR 16 2007
DIV. OF OIL, GAS & MINING

(11/2001) (See Instructions on Reverse Side)

T10S, R21E, S.L.B.&M.



LINE TABLE		
LINE	BEARING	LENGTH
L1	N00°29'12"W	234.83'
L2	N00°18'03"W	269.40'

Kerr-McGee Oil & Gas Onshore LP

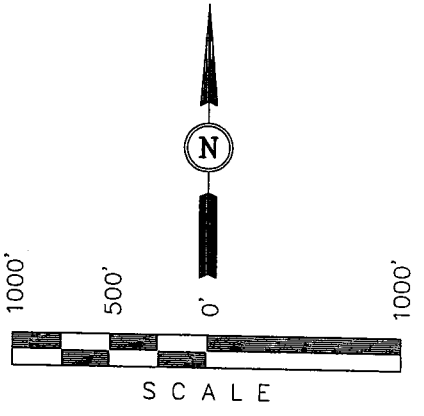
Well location, NBU #1021-13N, located as shown in the SE 1/4 SW 1/4 of Section 13, T10S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REG. NO. 161319
ROBERT L. KAY
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 39°56'36.41" (39.943447)
LONGITUDE = 109°30'12.89" (109.503581)
(NAD 27)
LATITUDE = 39°56'36.53" (39.943481)
LONGITUDE = 109°30'10.42" (109.502894)

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE	DATE SURVEYED:	DATE DRAWN:
1" = 1000'	1-2-07	1-10-07
PARTY: D.K. M.B. K.G.	REFERENCES: G.L.O. PLAT	
WEATHER: COLD	FILE: Kerr-McGee Oil & Gas Onshore LP	

NBU 1021-13N
SE/SW SEC. 13, T10S, R21E
UINTAH COUNTY, UTAH
ML-23608

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. **Estimated Tops of Important Geologic Markers:**

Formation	Depth
Uinta	0- Surface
Green River	1106'
Top of Birds Nest Water	1387'
Mahogany	1981'
Wasatch	4308'
Mesaverde	6972'
MVU2	7921'
MVL1	8524'
TD	9090'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

Substance	Formation	Depth
	Green River	1106'
Water	Top of Birds Nest Water	1387'
	Mahogany	1981'
Gas	Wasatch	4308'
Gas	Mesaverde	6972'
Gas	MVU2	7921'
Gas	MVL1	8524'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

Please refer to the attached Drilling Program.

4. **Proposed Casing & Cementing Program:**

Please refer to the attached Drilling Program.

5. **Drilling Fluids Program:**

Please refer to the attached Drilling Program.

6. **Evaluation Program:**

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9090' TD, approximately equals 5636 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3636 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please refer to the attached Drilling Program.

10. **Other Information:**

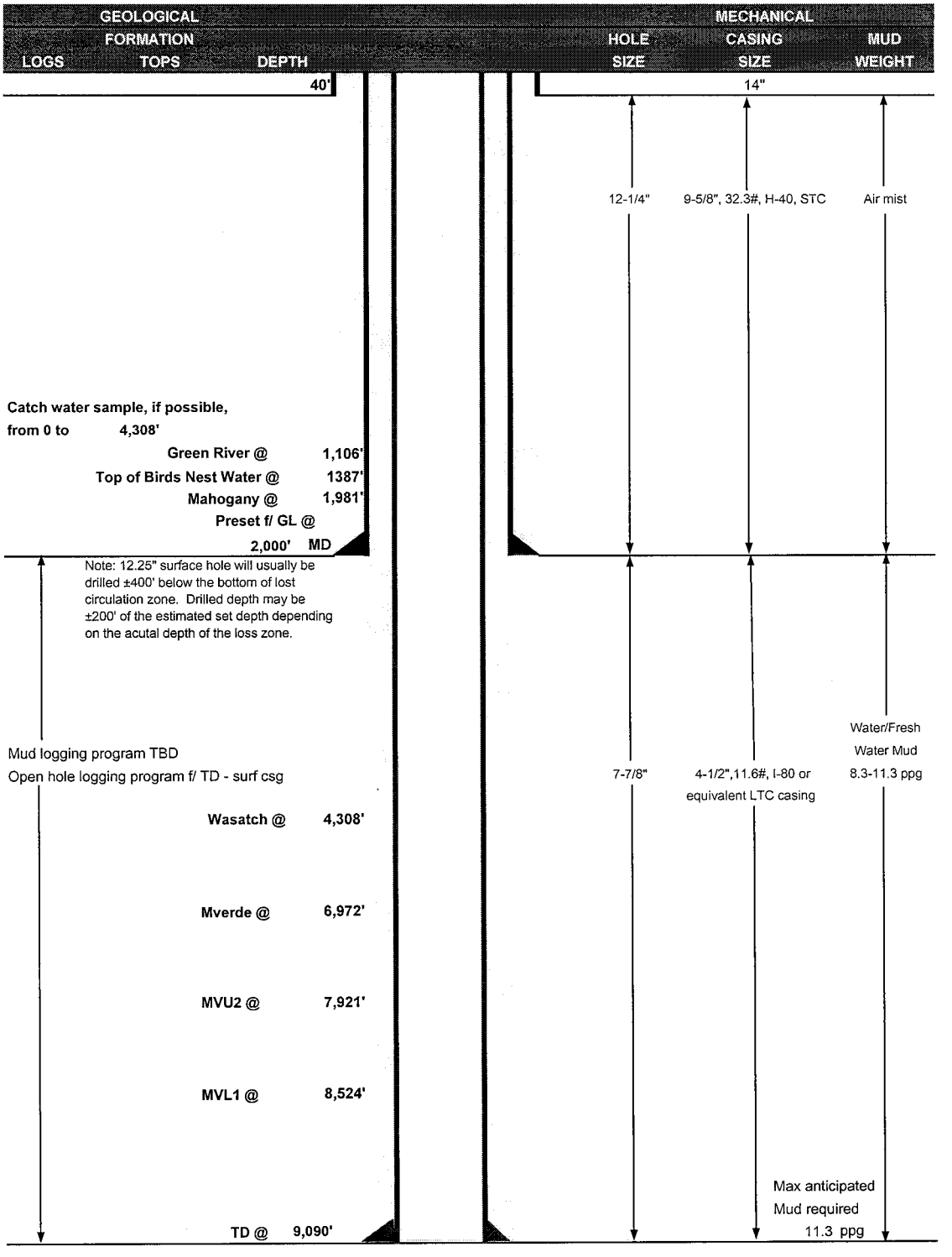
Please refer to the attached Drilling Program.

KerrMcGee

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	February 23, 2007	
WELL NAME	**NBU 1021-13N**		TD	9,090' MD/TVD	
FIELD	Natural Buttes	COUNTY Uintah	STATE Utah	ELEVATION	5,212' GL KB 5,227'
SURFACE LOCATION	SE/SW SEC.13, T10S, R21E 948'FSL, 1602'FWL			BHL	Straight Hole
	Latitude: 39.943447	Longitude: 109.503581			
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: UDOGM (SURF & MINERALS), BLM, Tri-County Health Dept.				



KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL			WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'								
								2270	1370	254000
SURFACE	9-5/8"	0	to	2000	32.30	H-40	STC	0.68********	1.46	4.49
								7780	6350	201000
PRODUCTION	4-1/2"	0	to	9090	11.60	I-80	LTC	2.33	1.19	2.18

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)

2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 11.3 ppg) .22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MASP 3341 psi

******** Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE		**NOTE: If well will circulate water to surface, option 2 will be utilized**					
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,800'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	420	60%	11.00	3.38
	TAIL	5,290'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1480	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utililzed.

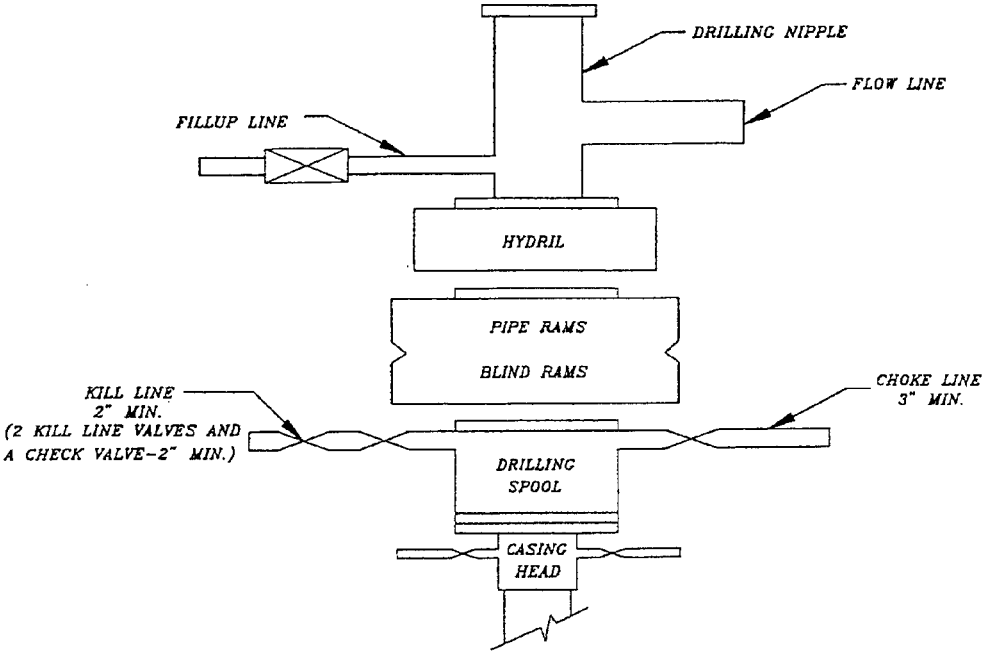
DRILLING ENGINEER: _____ **DATE:** _____

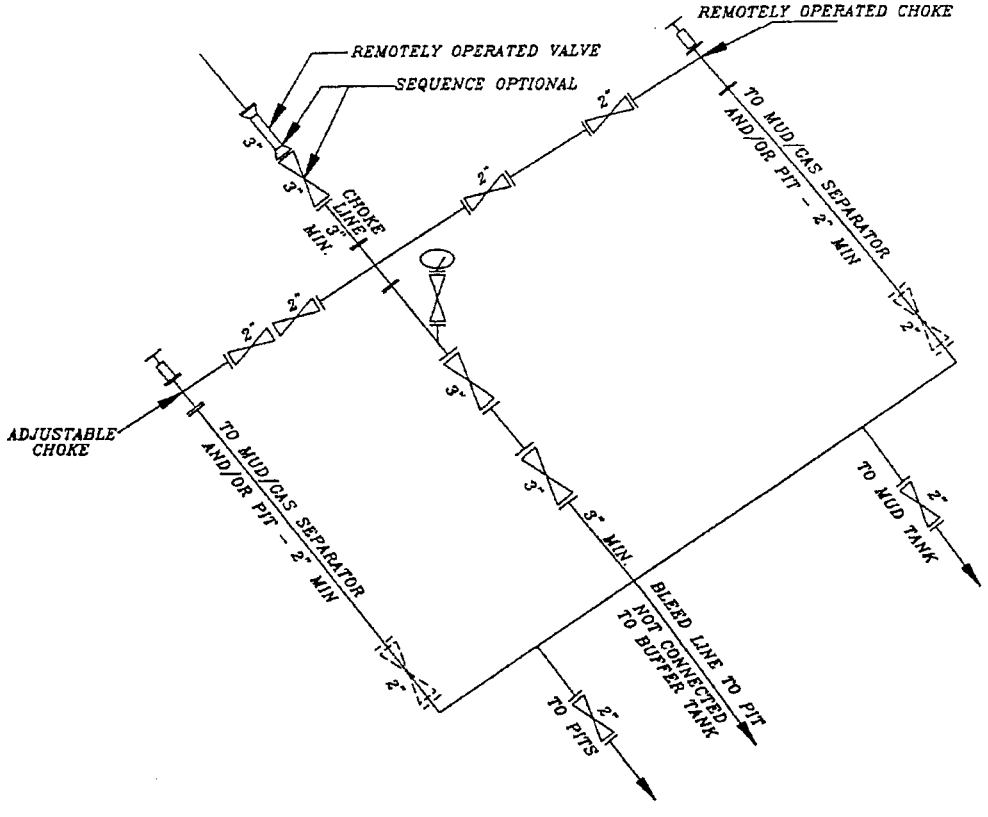
Brad Laney

DRILLING SUPERINTENDENT: _____ **DATE:** _____

Randy Bayne

5M BOP STACK and CHOKE MANIFOLD SYSTEM





NBU 1021-13N
SE/SW SEC. 13, T10S, R21E
Uintah County, UT
ML-23608

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. **Existing Roads:**

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. **Planned Access Roads:**

Approximately 0.2 +/- miles of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. **Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities:**

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain

fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 940' +/- of 4" steel pipeline is proposed. Please refer to the attached Topo Map D for pipeline placement.

Approximately 2400' +/- of 4" steel pipeline is proposed from the proposed pipeline in Sec. 13, T10S, R21E to the proposed well location. Refer to the attached Topo Map D for pipeline placement.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

8. **Ancillary Facilities:**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. **Surface Ownership:**

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. **Other Information:**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey will be submitted when report becomes available.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying within the boundaries of the Unit.

13. **Lessee's or Operators's Representative & Certification:**

Sheila Upchego
Senior Land Admin Specialist
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East.
Vernal, UT 84078
(435) 781-7024

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005237.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Sheila Upchego

2/23/2007
Date

Kerr-McGee Oil & Gas Onshore LP
NBU #1021-13N
SECTION 13, T10S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 7.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #1021-13C TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 190' TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #1021-13K TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.45 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY, THEN EASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 52.0 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-13N

LOCATED IN UINTAH COUNTY, UTAH
SECTION 13, T10S, R21E, S.L.B.&M.

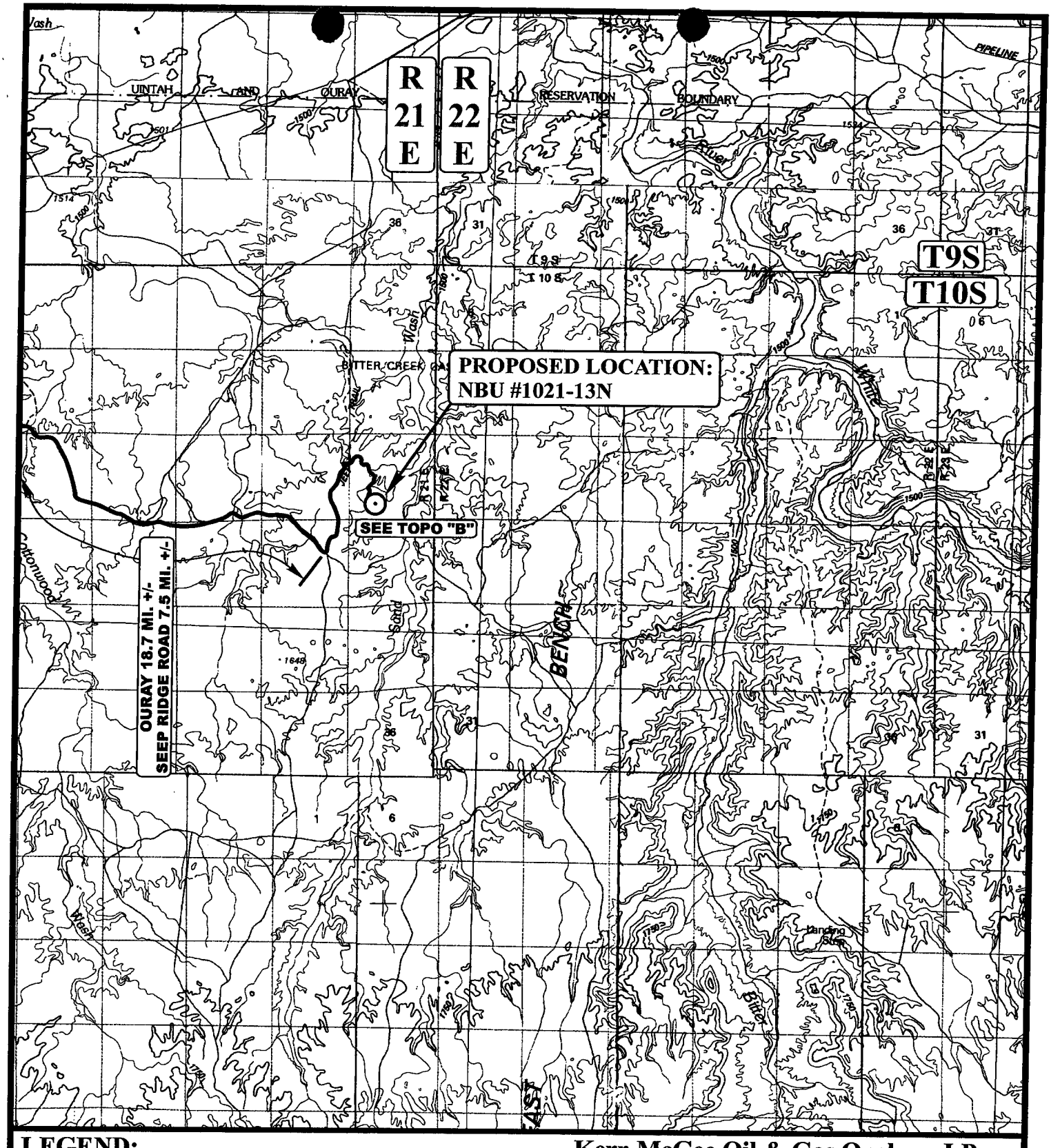
PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: NORTHERLY**

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS **CAMERA ANGLE: SOUTHERLY**

- Since 1964 -

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	01 MONTH	09 DAY	07 YEAR	PHOTO
TAKEN BY: D.K.	DRAWN BY: L.K.	REVISED: 00-00-00		



LEGEND:

⊙ PROPOSED LOCATION

N

Kerr-McGee Oil & Gas Onshore LP

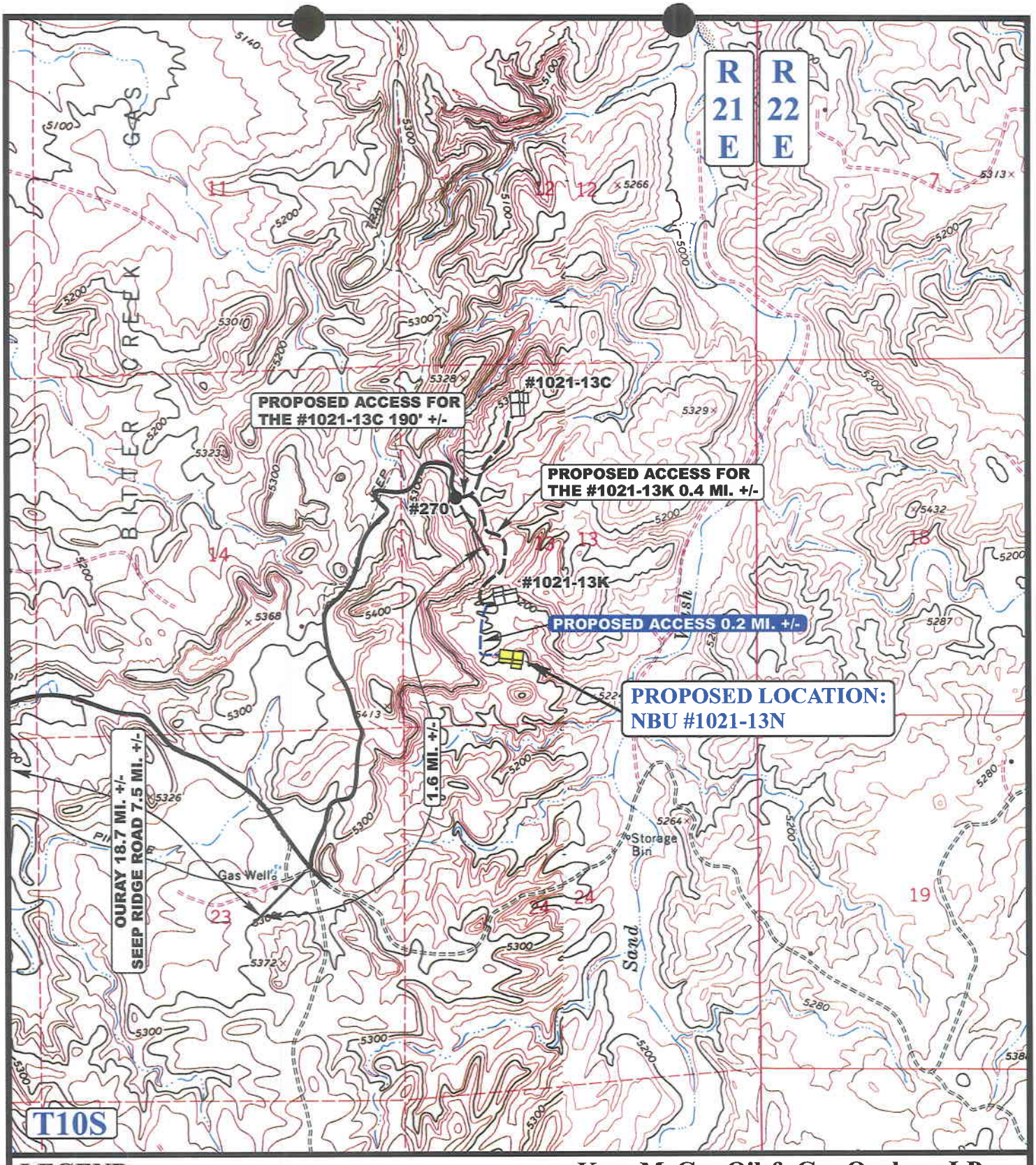
NBU #1021-13N

SECTION 13, T10S, R21E, S.L.B.&M.

948' FSL 1602' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	01 MONTH	09 DAY	07 YEAR
SCALE: 1:100,000	DRAWN BY: L.K.	REVISED: 00-00-00	A TOPO



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

N

Kerr-McGee Oil & Gas Onshore LP

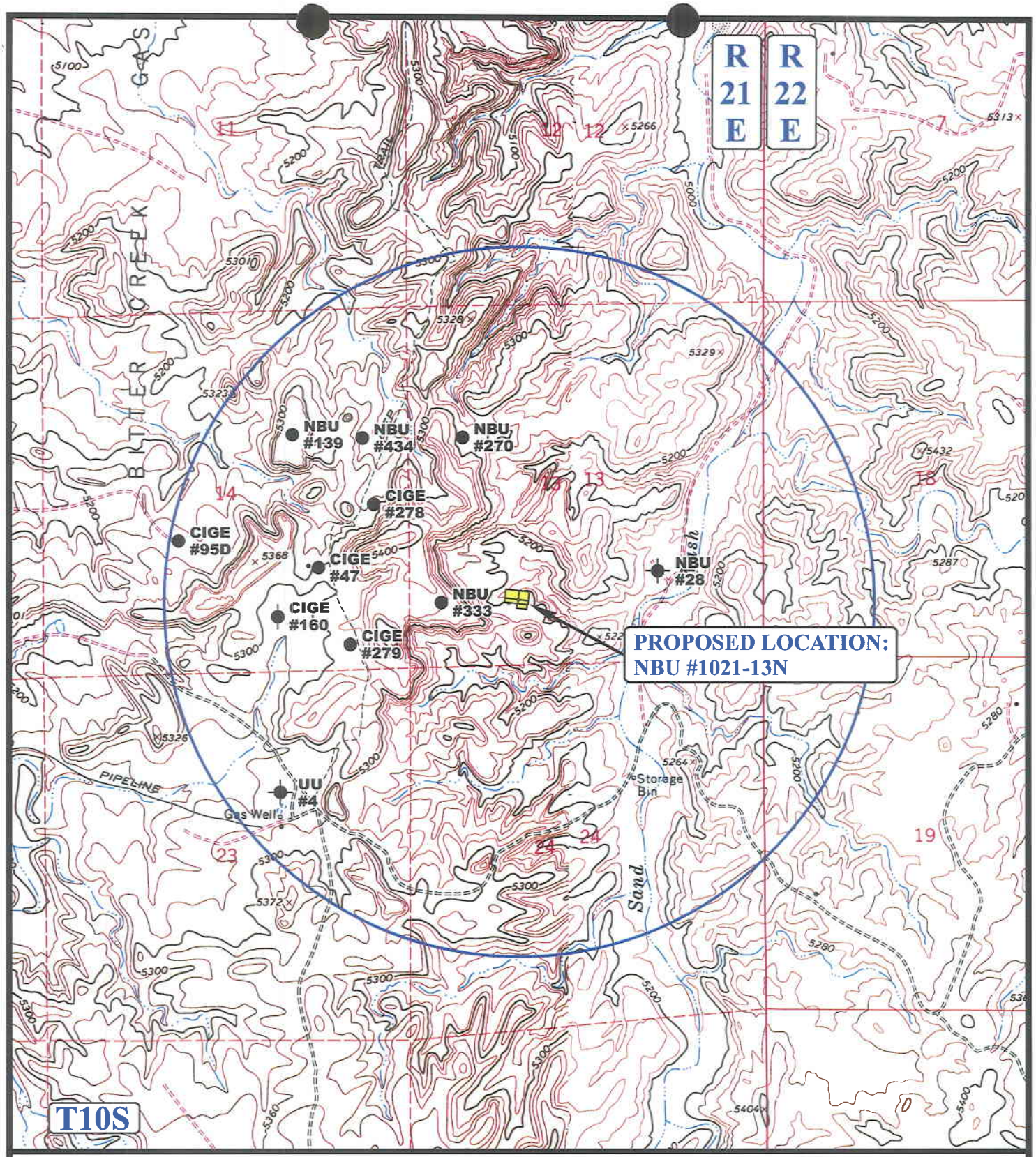
NBU #1021-13N

SECTION 13, T10S, R21E, S.L.B.&M.

948' FSL 1602' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	01 MONTH	09 DAY	07 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: L.K.	REVISED: 00-00-00		



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

N

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-13N
SECTION 13, T10S, R21E, S.L.B.&M.
948' FSL 1602' FWL

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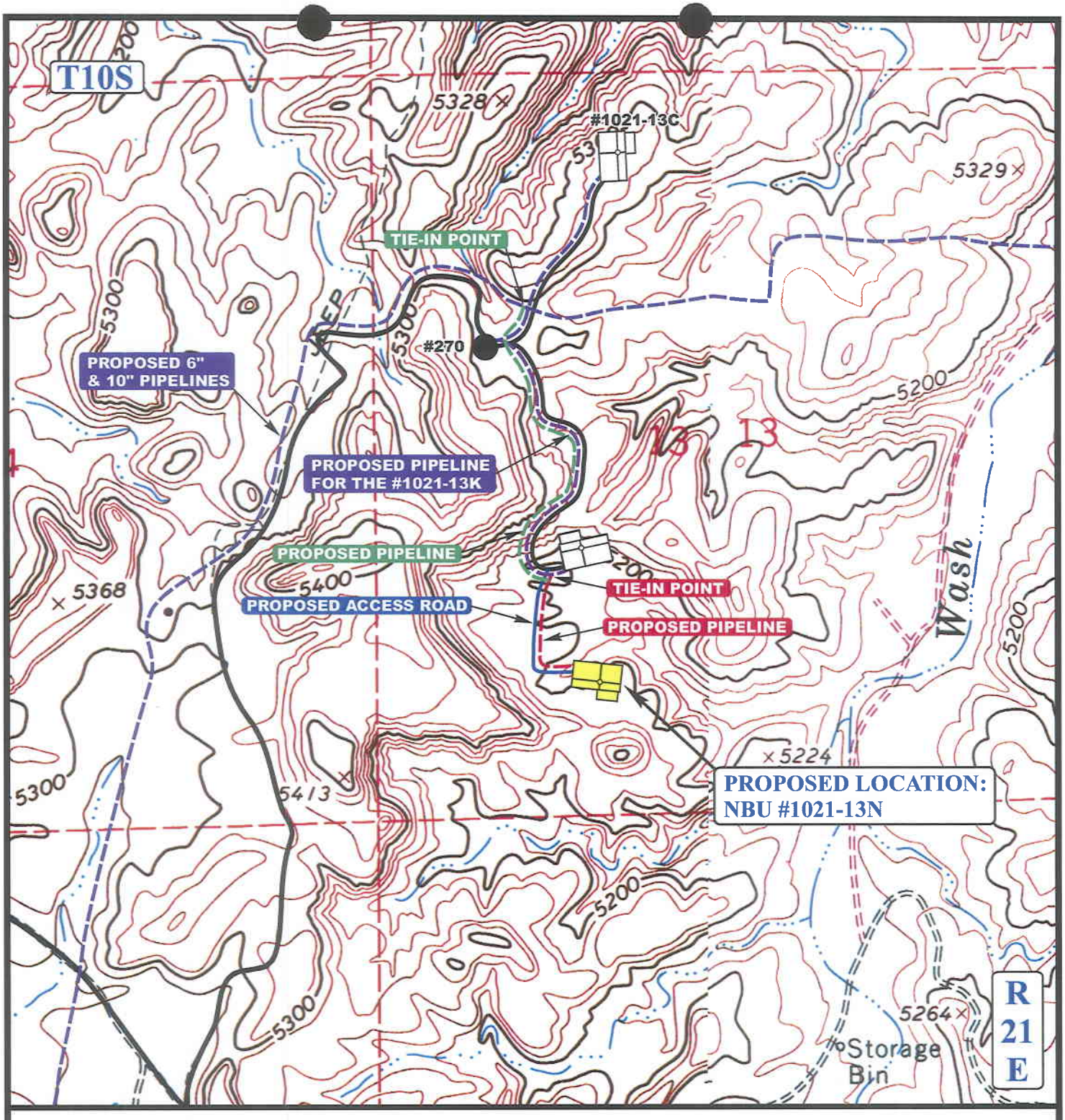
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP | 01 MONTH | 09 DAY | 07 YEAR

SCALE: 1" = 2000' | DRAWN BY: L.K. | REVISED: 00-00-00

C TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 940' +/-

APPROXIMATE TOTAL PIPELINE DISTANCE = 2,400' +/-

LEGEND:

PROPOSED ACCESS ROAD

EXISTING PIPELINE

PROPOSED PIPELINE

PROPOSED PIPELINE (SERVICING OTHER WELLS)

N

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-13N

SECTION 13, T10S, R21E, S.L.B.&M.

948' FSL 1602' FWL

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	01 MONTH	09 DAY	07 YEAR	D TOPO
SCALE: 1" = 1000'	DRAWN BY: L.K.	REVISED: 00-00-00		

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-13N

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH
SECTION 13, T10S, R21E, S.L.B.&M.

PHOTO: VIEW OF PIPELINE ALIGNMENT **CAMERA ANGLE: NORTHERLY**

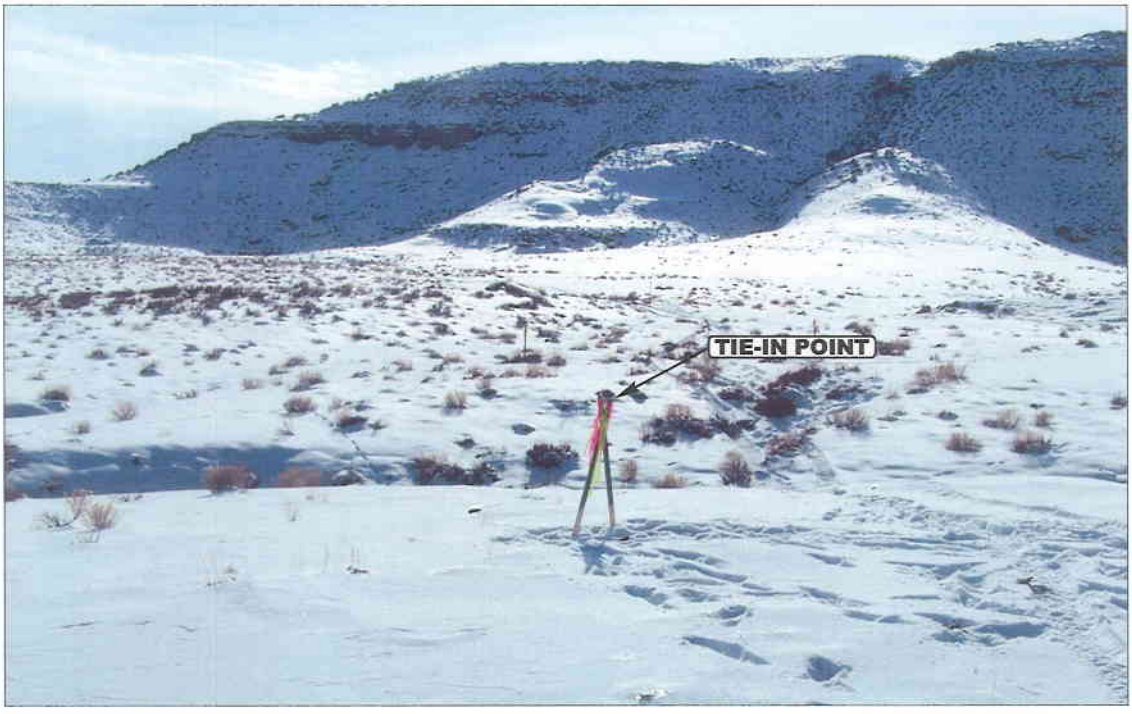


PHOTO: VIEW FROM TIE-IN POINT **CAMERA ANGLE: SOUTHERLY**

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

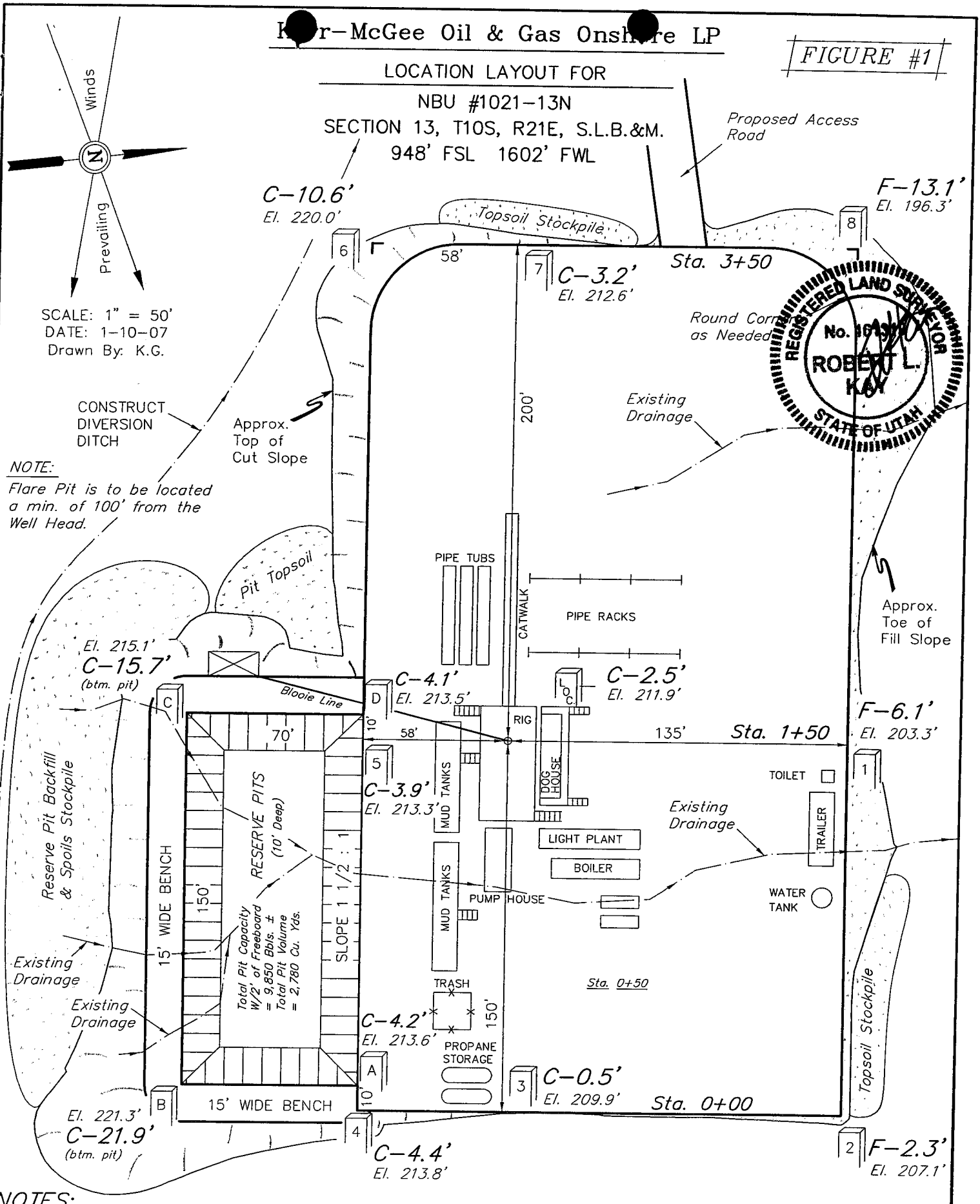
PIPELINE PHOTOS	01 MONTH	09 DAY	07 YEAR	PHOTO
TAKEN BY: D.K.	DRAWN BY: L.K.	REVISED: 00-00-00		

Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

LOCATION LAYOUT FOR

NBU #1021-13N
SECTION 13, T10S, R21E, S.L.B.&M.
948' FSL 1602' FWL



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5211.9'

FINISHED GRADE ELEV. AT LOC. STAKE = 5209.4'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

Kerr-McGee Oil & Gas Onshore LP

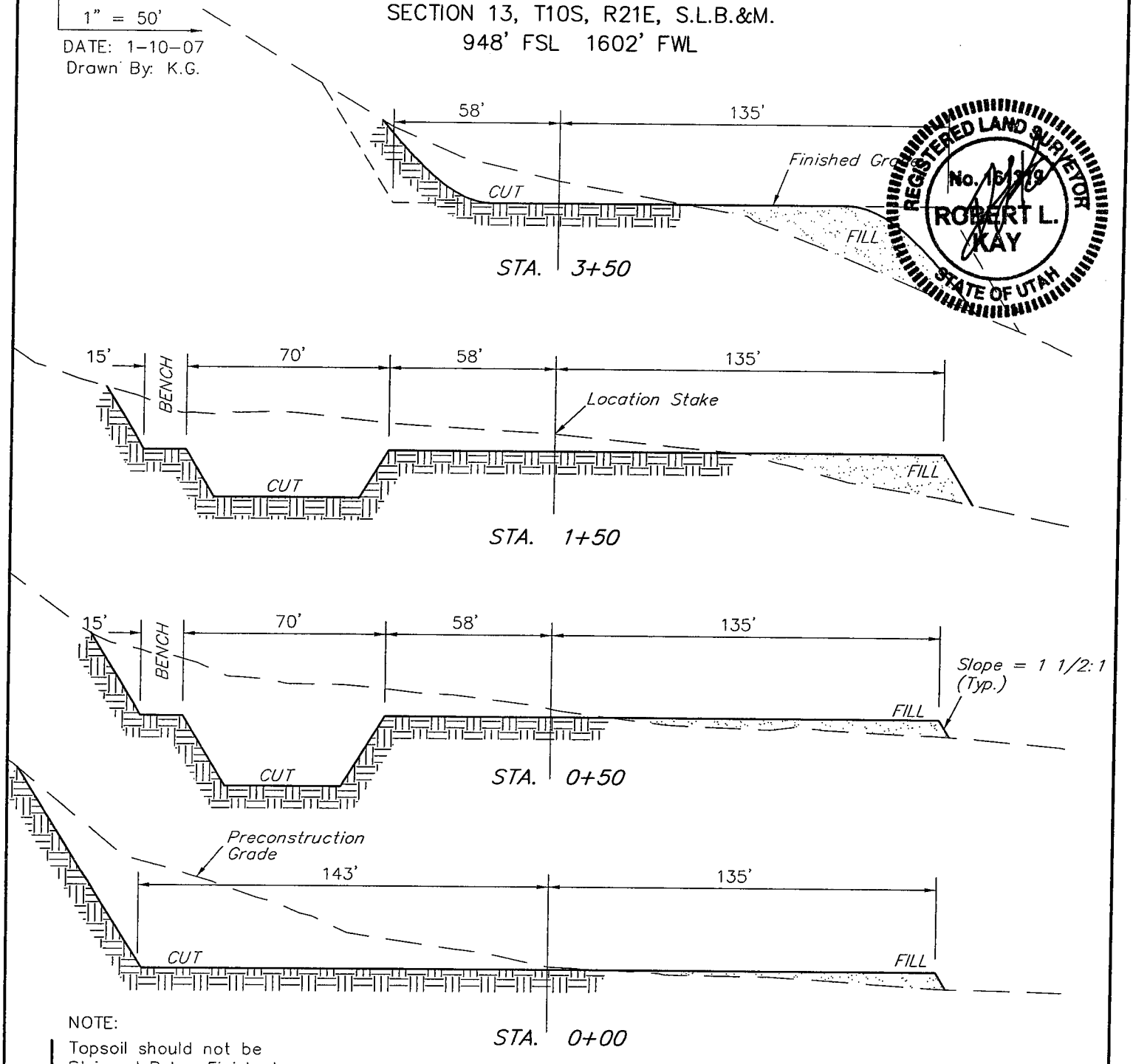
FIGURE #2

TYPICAL CROSS SECTIONS FOR

NBU #1021-13N
SECTION 13, T10S, R21E, S.L.B.&M.
948' FSL 1602' FWL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 1-10-07
Drawn By: K.G.



REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH

NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,910 Cu. Yds.
Remaining Location = 9,820 Cu. Yds.

TOTAL CUT = 11,730 CU.YDS.
FILL = 8,430 CU.YDS.

EXCESS MATERIAL = 3,300 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,300 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation) = 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/16/2007

API NO. ASSIGNED: 43-047-39107

WELL NAME: NBU 1021-13N
OPERATOR: KERR-MCGEE OIL & GAS (N2995)
CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:
SESW 13 100S 210E
SURFACE: 0948 FSL 1602 FWL
BOTTOM: 0948 FSL 1602 FWL
COUNTY: UINTAH
LATITUDE: 39.94344 LONGITUDE: -109.5028
UTM SURF EASTINGS: 627911 NORTHINGS: 4422343
FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	4/23/07
Geology		
Surface		

LEASE TYPE: 3 - State
LEASE NUMBER: ML-23608
SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD
COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat
✓ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 22013542)
N Potash (Y/N)
✓ Oil Shale 190-5 (B) or 190-3 or 190-13
✓ Water Permit
(No. 43-8496)
N RDCC Review (Y/N)
(Date:)
N/A Fee Surf Agreement (Y/N)
N/A Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit: NATURAL BUTTES
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
✓ Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-99
Siting: 460' fr ubdry & uncomm. Tract
___ R649-3-11. Directional Drill

COMMENTS: Needs Presite (04-06-07)

STIPULATIONS: 1- STATEMENT OF BASIS
2- OIL SHALE
3- Surface Csg Cmt Stip

OPERATOR: KERR MCGEE O&G (N9550)

SEC: 13 T.10S R. 21E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

Utah Oil Gas and Mining

N
W E
S

PREPARED BY: DIANA MASON
DATE: 23-MARCH-2007

Application for Permit to Drill
Statement of Basis

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
307	43-047-39107-00-00		GW	S	No

Operator KERR-MCGEE OIL & GAS ONSHORE, LP **Surface Owner-APD**
Well Name NBU 1021-13N **Unit**
Field UNDESIGNATED **Type of Work**
Location SESW 13 10S 21E S 948 FSL 1602 FWL GPS Coord (UTM) 627911E 4422343N

Geologic Statement of Basis

Kerr McGee proposes to set 2,000' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 5,200'. A search of Division of Water Rights records shows one water well within a 10,000 foot radius of the center of Section 13. The well is located .5 miles southwest of the proposed location. The well is owned by Target Trucking and is used for oil well drilling fluid. No depth is listed. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Brad Hill — 4/18/2007
APD Evaluator — **Date / Time**

Surface Statement of Basis

The general area is the Natural Buttes Unit in the Sand Wash Drainage of Uintah, County. Sand Wash is approximately 36 air miles south of Vernal, Utah and approximately 18 miles southeast of Ouray, Utah. Access is by State of Utah Highways, Uintah County and existing or planned oilfield development roads to within 0.2 miles of the location. New construction will occur from this point.

Topography of the Sand Wash area is characterized by broad open flats dissected by numerous sub-drainages, which often become steep with ridges and draws with exposed sandstone layers. No perennial streams occur in drainage. Individual draws or washes are ephemeral with spring runoff or flows from sometimes-intense summer rainstorms. No springs exist in the area. An occasional constructed pond occurs furnishing water for antelope or livestock.

The NBU 1021-13N proposed gas well is located on the north slope of a main lateral ridge which is dissected by 3 swales which become deep as they continue north off the location. Small ridges between the 3 swales are flat-topped and will be used for the pad. A diversion is planned beginning above the reserve pit catching any runoff and diverting it west and north around the location. The White River is approximately 5 mile down drainage.

Both the surface and minerals are owned by SITLA. Jim Davis represented SITLA at the pre-site investigation. Mr. Davis had no concerns pertaining to this location. The selected location appears to be the best site for drilling and operating a well in the immediate area.

Floyd Bartlett — 4/6/2007
Onsite Evaluator — **Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator	KERR-MCGEE OIL & GAS ONSHORE, LP						
Well Name	NBU 1021-13N						
API Number	43-047-39107-0		**APD No** 307			**Field/Unit** UNDESIGNATED	
Location: 1/4,1/4 SESW		**Sec** 13	**Tw** 10S	**Rng** 21E	948 FSL 1602 FWL		
GPS Coord (UTM) 627904		4422348	**Surface Owner**				

Participants

Floyd Bartlett (DOGM), Jim Davis (SITLA), Carroll Estes, Tony Kznick, (Kerr McGee), David Kay (Uintah Engineering and Land Surveying).

Regional/Local Setting & Topography

The general area is the Natural Buttes Unit in the Sand Wash Drainage of Uintah, County. Sand Wash is approximately 36 air miles south of Vernal, Utah and approximately 18 miles southeast of Ouray, Utah. Access is by State of Utah Highways, Uintah County and existing or planned oilfield development roads to within 0.2 miles of the location. New construction will occur from this point.

Topography of the Sand Wash area is characterized by broad open flats dissected by numerous sub-drainages, which often become steep with ridges and draws with exposed sandstone layers. No perennial streams occur in drainage. Individual draws or washes are ephemeral with spring runoff or flows from sometimes-intense summer rainstorms. No springs exist in the area. An occasional constructed pond occurs furnishing water for antelope or livestock.

The NBU 1021-13N proposed gas well is located on the north slope of a main lateral ridge which is dissected by 3 swales which become deep as they continue north off the location. Small ridges between the 3 swales are flat-topped and will be used for the pad. A diversion is planned beginning above the reserve pit catching any runoff and diverting it west and north around the location. The White River is approximately 5 mile down drainage.

Both the surface and minerals are owned by SITLA.

Surface Use Plan

Current Surface Use

Grazing
Recreational
Wildlfe Habitat

New Road Miles	Well Pad Width	Well Pad Length	Src Const Material	Surface Formation

Ancillary Facilities

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Vegetation is a desert shrub type. Shadscale, curly mesquite and spring annuals are present. Vegetation cover is sparse.

Antelope, sheep during the winter, rabbits, coyotes, and small mammals, birds and raptors.

Soil Type and Characteristics

Shallow gravely sandy loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required Y

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? N **Paleo Potental Observed?** Y **Cultural Survey Run?** Y **Cultural Resources?**

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	300 to 1320	10
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
	Final Score	25 1 **Sensitivity Level**

Characteristics / Requirements

The proposed reserve pit is 70' x 150' x 10' deep located in a cut on the southeast corner of the location. A 20 mil liner with a felt sub-liner is planned by Kerr McGee.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

Other Observations / Comments

Ben Williams representing the UDWR was not at the pre-site but stated on a previous day that all the remaining locations in the area were classified as yearlong critical habitat for antelope. He stated that the lack of water not forage is the limiting factor affecting the herd in the area. He recommended no restrictions for antelope. No other wildlife is expected to be significantly affected. He gave Jim Davis of SITLA and Carroll Estes of Kerr McGee a copy of his wildlife evaluation and a UDWR recommended seed mix to be used when re-vegetating the locations.

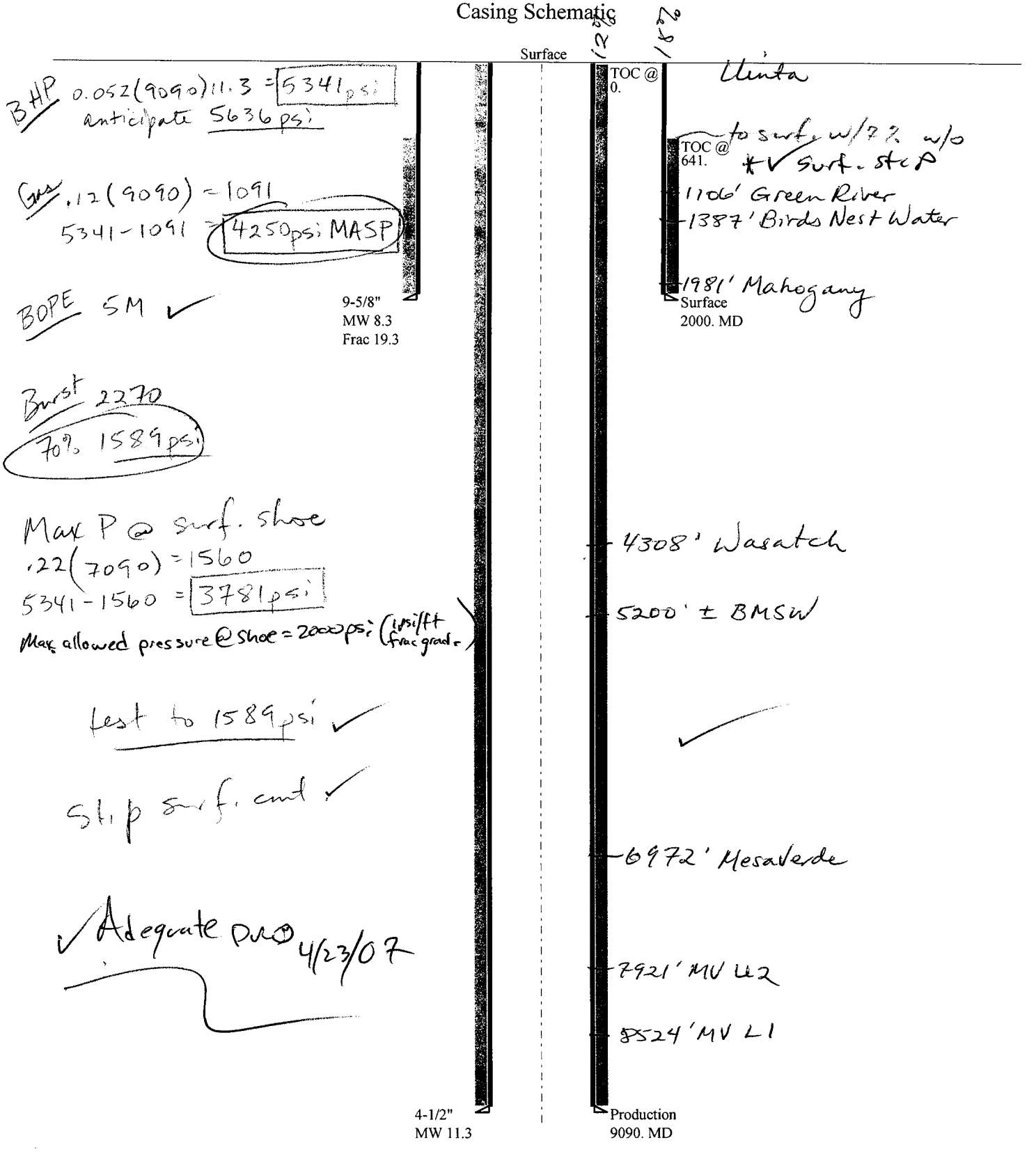
Petrified turtle shells were located in a hillside above the proposed location.

ATVs were used to access the site.

Floyd Bartlett	4/6/2007
Evaluator	**Date / Time**

2007-04 Kerr McGee NBU 1021-13N

Casing Schematic



BHP 0.052(9090)11.3 = 5341 psi
anticipate 5636 psi

Grad .12(9090) = 1091
5341 - 1091 = 4250 psi MASP

BOPE 5M ✓

Burst 2270
70% 1589 psi

Max P @ surf. shoe
.22(7090) = 1560
5341 - 1560 = 3781 psi
Max allowed pressure @ Shoe = 2000 psi (1 psi/ft frac grad.)

Test to 1589 psi ✓

Slip surf. csg ✓

✓ Adequate DMD 4/23/07

Well name:	**2007-04 Kerr McGee NBU 1021-13N**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Surface
Project ID:	43-047-39107
Location:	Uintah County, Utah

Design parameters:

Collapse
Mud weight: 8.300 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 1,760 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,000 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 1,756 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 103 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,400 ft

Cement top: 641 ft

Non-directional string.

Re subsequent strings:
Next setting depth: 9,090 ft
Next mud weight: 11.300 ppg
Next setting BHP: 5,336 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,000 ft
Injection pressure: 2,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	2000	9.625	32.30	H-40	ST&C	2000	2000	8.876	883.8

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	862	1370	1.589	2000	2270	1.13	57	254	4.48 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Minerals
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: April 19,2007
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.3 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**2007-04 Kerr McGee NBU 1021-13N**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Production
Project ID:	43-047-39107
Location:	Uintah County, Utah

Design parameters:

Collapse
Mud weight: 11.300 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 3,336 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 5,336 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 7,555 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 202 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: Surface

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	9090	4.5	11.60	I-80	LT&C	9090	9090	3.875	793.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5336	6360	1.192	5336	7780	1.46	88	212	2.42 J

Prepared by: Helen Sadik-Macdonald, Div of Oil,Gas & Minerals
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: April 19,2007
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 9090 ft, a mud weight of 11.3 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

March 27, 2007

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2007 Plan of Development Natural Buttes Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2007 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION

(Proposed PZ Wasatch/MesaVerde)

43-047-39107 NBU 1021-13N Sec 13 T10S R21E 0948 FSL 1602 FWL
43-047-39108 NBU 1021-13H Sec 13 T10S R21E 2351 FNL 0515 FEL
43-047-39109 NBU 1021-16D Sec 16 T10S R21E 0666 FNL 0666 FWL
43-047-39106 NBU 1021-28I Sec 28 T10S R21E 2269 FSL 0930 FEL
43-047-39100 NBU 1021-28F Sec 28 T10S R21E 1767 FNL 2157 FWL
43-047-39101 NBU 1021-28E Sec 28 T10S R21E 2046 FNL 0856 FWL
43-047-39102 NBU 1021-28D Sec 28 T10S R21E 0604 FNL 0614 FWL
43-047-39103 NBU 1021-28C Sec 28 T10S R21E 0476 FNL 1997 FWL
43-047-39104 NBU 1021-28B Sec 28 T10S R21E 0767 FNL 1997 FEL
43-047-39110 NBU 1021-29P Sec 29 T10S R21E 0286 FSL 1236 FEL
43-047-39111 NBU 1021-31A Sec 31 T10S R21E 0744 FNL 0815 FEL
43-047-39116 NBU 1021-31B Sec 31 T10S R21E 0777 FNL 1911 FEL
43-047-39136 NBU 1021-32G Sec 32 T10S R21E 2038 FNL 2065 FEL
43-047-39137 NBU 1021-32D Sec 32 T10S R21E 0777 FNL 0355 FWL
43-047-39138 NBU 1021-32E Sec 32 T10S R21E 1858 FNL 0651 FWL
43-047-39139 NBU 1022-19P Sec 19 T10S R22E 0766 FSL 0298 FEL
43-047-39141 NBU 1022-24J Sec 24 T10S R22E 1928 FSL 1972 FEL
43-047-39140 NBU 1022-24P Sec 24 T10S R22E 1110 FSL 1054 FEL
43-047-39142 NBU 1022-25G Sec 25 T10S R22E 1761 FNL 1462 FEL
43-047-39033 NBU 1022-25H Sec 25 T10S R22E 2604 FNL 0825 FEL
43-047-39156 NBU 1022-24O Sec 24 T10S R22E 0645 FSL 2007 FEL
43-047-39157 NBU 1022-7I Sec 07 T10S R22E 2000 FSL 0948 FEL

Our records indicate the NBU 1021-28I and the NBU 1022-25H are closer than 460 feet from the Natural Buttes Unit boundary (approximately 390 and 36 feet respectively).

We have no objections to permitting the wells so long as the unit operator receives an exception to the locating and siting requirements of the State of Utah (R649-3-2).

/s/ Michael L. Coulthard

bcc: File – Natural Buttes Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:3-27-07

From: Ed Bonner
To: Mason, Diana
Date: 4/23/2007 3:38 PM
Subject: Well Clearance

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil

The following wells have been given cultural resources clearance by the Trust Lands Cultural Resources Group:

Bill Barrett Corporation
Peters Point State 8-2D-13-16 (API 43 007 31280)

EnCana Oil & Gas (USA) Inc
Middle Mountain State 36-12-29-24 (API 43 037 31855)

EOG Resources, Inc
East Chapita 60-16 (API 43 047 39150)
East Chapita 57-16 (API 43 047 39151)
East Chapita 58-16 (API 43 047 39152)

Kerr McGee Oil & Gas Onshore LP
NBU 1021-13N (API 43 047 39107)
NBU 1021-13H (API 43 047 39108)
NBU 1021-16D (API 43 047 39109)
NBU 1022-19P (API 43 047 39139)

If you have any questions regarding this matter please give me a call.

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

April 24, 2007

Kerr McGee Oil & Gas Onshore LP
1368 S 1200 E
Vernal, UT 84078

Re: Natural Buttes Unit 1021-13N Well, 948' FSL, 1602' FWL, SE SW, Sec. 13, T. 10 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39107.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA
Bureau of Land Management, Vernal Office

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

Operator: Kerr McGee Oil & Gas Onshore LP
Well Name & Number Natural Buttes Unit 1021-13N
API Number: 43-047-39107
Lease: ML-23608

Location: SE SW **Sec.** 13 **T.** 10 South **R.** 21 East

Conditions of Approval

1. **General**

   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**

   The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

   - 24 hours prior to cementing or testing casing – contact Dan Jarvis
   - 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
   - 24 hours prior to spudding the well – contact Carol Daniels
   - Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
   - Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

   The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

   - Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
   - Any changes to the approved drilling plan – contact Dustin Doucet

   The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

   - Dan Jarvis at: (801) 538-5338 office
     (801) 942-0873 home
   - Carol Daniels at: (801) 538-5284 office
   - Dustin Doucet at: (801) 538-5281 office
     (801) 733-0983 home

3. **Reporting Requirements**

   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. Surface casing shall be cemented to the surface.

7. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 1021-13N

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304739107

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 948'FSL, 1602'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 13 10S 21E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
_____	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: DOGM APD EXTENSION
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION, SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON APRIL 24, 2007, AND ACCEPTED FOR UNIT PURPOSES BY THE BUREAU OF LAND MANAGEMENT ON APRIL 24, 2007.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 05-05-08

By:

COPY SENT TO OPERATOR

Date: 5.6.2008

Initials: KS

RECEIVED

MAY 02 2008

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE DATE 4/22/2008

(This space for State use only)

(5/2000) (See Instructions on Reverse Side)

RESET

Application for Permit to Drill
Request for Permit Extension
Validation
(this form should accompany the Sundry Notice requesting permit extension)

API: 4304739107
Well Name: NBU 1021-13N
Location: SE/SW SEC. 13, T10S, R21E
Company Permit Issued to: KERR McGEE OIL & GAS ONSHORE LP
Date Original Permit Issued: 4/24/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes☐No☑

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes☐No☑

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes☐No☑

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes☐No☑

Has the approved source of water for drilling changed? Yes☐No☑

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes☐No☑

Is bonding still in place, which covers this proposed well? Yes☑No☐

Signature

4/22/2008
Date

RECEIVED
MAY 02 2008
DIV. OF OIL, GAS & MINING

Title: SENOIR LAND ADMIN SPECIALIST

Representing: KERR-McGEE OIL & GAS ONSHORE LP

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **Kerr-McGee Oil & Gas Onshore, LP**

Well Name: **NBU 1021-13N**

API No: **43-047-39107** Lease Type: **State**

Section **13** Township **10S** Range **21E** County **Uintah**

Drilling Contractor **Pete Martin** Rig # **Rathole**

SPUDDED:

Date **7-03-08**

Time **09:00 AM**

How **Dry**

Drilling will Commence:

Reported by **Lew Weldon**

Telephone # **435-828-7035**

Date **7-07-08** **Signed** **RM**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR McGEE OIL & GAS ONSHORE LP
Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078
Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739239	NBU 921-8P		SESE	8	9S,	21E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	2900	6/30/2008			7/14/08	

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 06/30/2008 AT 1200 HRS.

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737228	SOUTHMAN CANYON 923-31L		NWSW	31	9S,	23E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	16952	6/29/2008			7/14/08	

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 06/29/2008 AT 0700 HRS.

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739107	NBU 1021-13N		SESW	13	10S	21E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	2900	7/3/2008			7/14/08	

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 07/03/2008 AT 0900 HRS.

ACTION CODES:
- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA UPCHEGO
Name (Please Print)
Signature
SENIOR LAND SPECIALIST
Title
7-8-2008
Date

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DIV. OF OIL, GAS & MINING

(5/2000)

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 1021-13N

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304739107

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 948'FSL, 1602'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 13 10S 21E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
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☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: WELL SPUD
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 07/03/2008 AT 0900 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE Sheila Upchego DATE 7/8/2008

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DIV. OF OIL, GAS & MINING

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FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608

SUNDRY NOTICES AND REPORTS ON WELLS

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2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304739107

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 948'FSL, 1602'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 13 10S 21E

STATE: UTAH

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	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: SET SURFACE CSG
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PROPETRO AIR RIG ON 07/09/2008. DRILLED 12 1/4" SURFACE HOLE TO 2160'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/300 SX PREM CLASS G @15.8 PPG 1.15 YIELD. TAILED CMT W/150 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS THROUGH OUT JON 230 PSI LIFT. TOP OUT W/150 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE Sheila Upchego DATE 7/14/2008

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JUL 17 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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8. WELL NAME and NUMBER: NBU 1021-13N

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304739107

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 948'FSL, 1602'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 13 10S 21E

STATE: UTAH

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Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: FINAL DRILLING OPERATIONS
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

FINISHED DRILLING FROM 2160' TO 9195' ON 08/20/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/430 SX PREM LITE II @11.5 PPG 2.82 YIELD. TAILED CMT W/1440 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DISPLACE W/142 BBLS BUMP PLUG FLOATS HELD. FINAL CIRC 2900 21 BBL CMT BACK SET SLIPS ND BOP CUT OFF CSG. CLEAN PITS.

RELEASED PIONEER RIG 38 ON 08/21/2008 AT 2200 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE DATE 8/22/2008

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AUG 25 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608

SUNDRY NOTICES AND REPORTS ON WELLS

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9. API NUMBER: 4304739107

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 948'FSL, 1602'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 13 10S 21E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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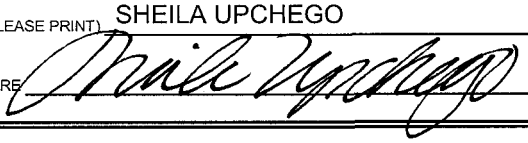
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: PRODUCTION START-UP
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 09/18/2008 AT 9:30 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE  DATE 9/19/2008

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SEP 22 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

Wins No.: 95164

NBU 1021-13N

Well Operations Summary Long

Operator	FIELD NAME	SPUD DATE	GL	KB	ROUTE
KERR MCGEE OIL & GAS ONSHORE LP	NATURAL BUTTES	07/03/2008	5,209	5224	

API	STATE	COUNTY	DIVISION
4304739107	UTAH	UINTAH	ROCKIES

Long/Lat.: 39.94345 / -109.50358 **Q-Q/Sect/Town/Range:** SESW / 13 / 10S / 21E **Footages:** 948.00' FSL 1,602.00' FWL

Wellbore: NBU 1021-13N

MTD	TVD	PBMD	PBTVD
9,195	9,191		

EVENT INFORMATION:
EVENT ACTIVITY: DRILLING
OBJECTIVE: DEVELOPMENT
OBJECTIVE 2: VERTICAL WELL
REASON: DRILL PROD HOLE
START DATE: 7/3/2008
END DATE: 8/21/2008
DATE WELL STARTED PROD.:
Event End Status: COMPLETE
AFE NO.: 2007741

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PIONEER 38 / 38	08/08/2008	08/09/2008	08/08/2008	08/10/2008	08/20/2008	08/21/2008	08/22/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
7/3/2008	SUPERVISOR: LEW WELDON						MD: 56
	9:00 - 17:00	8.00	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 0900 HR 7/3/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 38 BLM AND STATE NOTFIED OF SPUD
7/9/2008	SUPERVISOR: LEW WELDON						MD: 210
	22:30 - 0:00	1.50	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 2230 HR 7/9/08 DA AT REPORT TIME 210'
7/10/2008	SUPERVISOR: LEW WELDON						MD: 1,530
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 990'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD HIT TRONA WATER @ 1320' DA AT REPORT TIME
7/11/2008	SUPERVISOR: LEW WELDON						MD: 2,160
	0:00 - 13:00	13.00	DRLSUR	02		P	RIG T/D @ 2160' CONDITION HOLE 1 HR WELL NOT CIRCULATING
	13:00 - 15:00	2.00	DRLSUR	05		P	TRIP DP OUT OF HOLE
	15:00 - 18:00	3.00	DRLSUR	11		P	RUN 2073' OF 9 5/8 CSG AND RIG DOWN AIR RIG
	18:00 - 19:00	1.00	DRLSUR	15		P	CEMENT 1ST STAGE WITH 300 SKS TAIL @ 15.8# 1.15 5.0 GAL SK NO RETURNS THRUOUT JOB 230 PSI LIFT
	19:00 - 19:30	0.50	DRLSUR	15		P	1ST TOP JOB 150 SKS DOWN BS WOC
	19:30 - 21:30	2.00	DRLSUR	15		P	2ND TOP JOB 150 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE

	19:30 - 21:30	2.00	DRLSUR	15		P	2ND TOP JOB 150 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
	21:30 - 21:30	0.00	DRLSUR				NO VISIBLE LEAKS PIT 1/4 FULL WORT
8/7/2008	SUPERVISOR: BRAD PEDERSEN						MD: 2,160
	16:00 - 0:00	8.00	RDMO	01	E	P	RDRT,PREPARE RIG F/ MOVE TO NBU 1021-13N
8/8/2008	SUPERVISOR: BRAD PEDERSEN						MD: 2,160
	0:00 - 0:00	24.00	MIRU	01	B	P	RDRT,MOVE RIG TO NBU 1021-13N,7 BED TRUCKS,4 HAUL TRUCKS,2 FORKLIFTS ON LOCATION @06:30 RELEASED @ 15:30,RURT 70% RIGGED UP
8/9/2008	SUPERVISOR: BRAD PEDERSEN						MD: 2,160
	0:00 - 9:00	9.00	MIRU	01	B	P	RURT
	9:00 - 11:00	2.00	DRLPRO	13	A	P	NIPPLE UP BOP
	11:00 - 16:00	5.00	DRLPRO	13	C	P	SAFETY MEETING W/ B&C QUICKTEST,TEST BOP TO 5000 PSI,ANNULAR TO 2500 PSI,CASING TO 1500
	16:00 - 16:30	0.50	DRLPRO	17		P	PRESPUD INSPECTION W/ DRILLER,PUSHER,COMAN
	16:30 - 17:00	0.50	DRLPRO	13	B	P	INSTALL WEAR RING
	17:00 - 17:30	0.50	DRLPRO	06	A	P	RIG SERVICE
	17:30 - 21:30	4.00	DRLPRO	05	A	P	SAFETY MEETING W/ TESCO R/U & P/U DRILLSTRING,R/D TESCO
	21:30 - 0:00	2.50	DRLPRO	02	F	P	DRILL CMT & F.E
8/10/2008	SUPERVISOR: BRAD PEDERSEN						MD: 3,592
	0:00 - 1:00	1.00	DRLPRO	02	F	P	DRLG CMT & F.E
	1:00 - 1:30	0.50	DRLPRO	02	B	P	DRLG F/ 2160' TO 2198' (38' 76' HR) WATER,SPUD @ 01:00 8/10/2008
	1:30 - 2:00	0.50	DRLPRO	09	A	P	SURVEY @ 2198' 1 DEG.
	2:00 - 8:30	6.50	DRLPRO	02	B	P	DRLG F/ 2198' TO 2673' (475' 73' HR) WATER
	8:30 - 9:00	0.50	DRLPRO	09	A	P	SURVEY @ 2603' 1.5 DEG.

	8:30 - 9:00	0.50	DRLPRO	09	A	P	SURVEY @ 2603' 1.5 DEG.	
	9:00 - 13:00	4.00	DRLPRO	02	B	P	DRLG F/ 2673' TO 2927' (254' 63.5' HR) WATER	
	13:00 - 13:30	0.50	DRLPRO	06	A	P	RIG SERVICE	
	13:30 - 17:00	3.50	DRLPRO	02	B	P	DRLG F/ 2927' TO 3180' (253' 72.2' HR) WATER	
	17:00 - 17:30	0.50	DRLPRO	09	A	P	SURVEY @ 3110 1 DEG.	
	17:30 - 0:00	6.50	DRLPRO	02	B	P	DRLG F/ 3180' TO 3592' (412' 63.3' HR) WT 9/36	
8/11/2008	SUPERVISOR: BRAD PEDERSEN							MD: 5,111
	0:00 - 0:30	0.50	DRLPRO	02	B	P	DRLG F/ 3592' TO 3623' (31' 62' HR) WT 9/38	
	0:30 - 1:00	0.50	DRLPRO	09	A	P	SURVEY @ 3553' 2 DEG.	
	1:00 - 9:00	8.00	DRLPRO	02	B	P	DRLG F/ 3623' TO 4128' (505' 63.1' HR) WT 9/38	
	9:00 - 9:30	0.50	DRLPRO	09	A	P	SURVEY @ 4058' 2 DEG.	
	9:30 - 16:30	7.00	DRLPRO	02	B	P	DRLG F/ 4128' TO 4632' (504' 72' HR)WT 9.2/40	
	16:30 - 17:00	0.50	DRLPRO	06	A	P	RIG SERVICE	
	17:00 - 17:30	0.50	DRLPRO	09	A	P	SURVEY @ 4560' 2 DEG.	
	17:30 - 0:00	6.50	DRLPRO	02	B	P	DRLG F/ 4632' TO 5111' (479' 73.6' HR) WT 9.5/46	
8/12/2008	SUPERVISOR: KENNY MORRIS							MD: 5,960
	0:00 - 0:30	0.50	DRLPRO	09	A	P	SURVEY @ 5041 2 DEG.	
	0:30 - 16:00	15.50	DRLPRO	02	B	P	DRLG F/ 5111' TO 5778,AVG 43 WT 9.8/42	
	16:00 - 16:30	0.50	DRLPRO	06	A	P	RIG SERVICE	
	16:30 - 0:00	7.50	DRLPRO	02	B	P	DRILL F/5778 TO 5960,AVG 24 WT 9.9/42	
8/13/2008	SUPERVISOR: KENNY MORRIS							MD: 6,525
	0:00 - 15:30	15.50	DRLPRO	02	B	P	DRILL F 5960 TO 6350,AVG 26,WT 10.1/43	

	0:00 - 15:30	15.50	DRLPRO	02	B	P	DRILL F 5960 TO 6350,AVG 26,WT 10.1/43	
	15:30 - 16:00	0.50	DRLPRO	06	A	P	RIG SERVICE	
	16:00 - 0:00	8.00	DRLPRO	02	B	P	DRILL F/6350 TO 6525,AVG 23 WT 10.1 /42	
8/14/2008	SUPERVISOR: KENNY MORRIS							MD: 6,780
	0:00 - 12:00	12.00	DRLPRO	02	B	P	DRILL F/6525 TO 6730,AVG17 WT 10.4/45	
	12:00 - 16:30	4.50	DRLPRO	05	A	P	DROP SURVEY,PUMP PILL ,POOH	
	16:30 - 21:00	4.50	DRLPRO	05	A	P	CHANGE BIT & MUD MTR,TIH	
	21:00 - 21:30	0.50	DRLPRO	06	A	P	RIG SERVICE	
	21:30 - 0:00	2.50	DRLPRO	02	B	P	DRILL F/6730 TO 6780,,AVG 20 WT 10.4/44	
8/15/2008	SUPERVISOR: KENNY MORRIS							MD: 7,250
	0:00 - 16:00	16.00	DRLPRO	02	B	P	DRILL F/6780 TO 7108,AVG 21 WT 10.7/45	
	16:00 - 16:30	0.50	DRLPRO	06	A	P	RIG SERVICE	
	16:30 - 0:00	7.50	DRLPRO	02	B	P	DRILL F/7108 TO 7250,AVG 19 WT 10.7/46	
8/16/2008	SUPERVISOR: KENNY MORRIS							MD: 7,743
	0:00 - 16:30	16.50	DRLPRO	02	B	P	DRILL F/7250 TO 7586,AVG 20 wt 10.8/46	
	16:30 - 17:00	0.50	DRLPRO	06	A	P	RIG SERVICE	
	17:00 - 0:00	7.00	DRLPRO	02	B	P	DRILL F/7586 TO 7743,AVG 22,WT11.0/47	
8/17/2008	SUPERVISOR: KENNY MORRIS							MD: 8,245
	0:00 - 17:00	17.00	DRLPRO	02	B	P	DRILL F/7743 TO 8124,AVG 22,WT 11.2/46	
	17:00 - 17:30	0.50	DRLPRO	06	A	P	RIG SERVICE	
	17:30 - 0:00	6.50	DRLPRO	02	B	P	DRILL F/8124 TO 8245,AVG 18 WT 11.3/47	
8/18/2008	SUPERVISOR: KENNY MORRIS							MD: 8,625
	0:00 - 16:30	16.50	DRLPRO	02	B	P	DRILL F/8245 TO 8503,AVG 16 WT 11.3+/46	

	16:30 - 17:00	0.50	DRLPRO	06	A	P	RIG SERVICE
	17:00 - 0:00	7.00	DRLPRO	02	B	P	DRILL F/8503 TO 8625,AVG 18 WT 11.9/48
8/19/2008	SUPERVISOR: KENNY MORRIS						MD: 9,040
	0:00 - 16:00	16.00	DRLPRO	02	B	P	DRILL F/8625 TO 8885,AVG 16 WT 12/46
	16:00 - 16:30	0.50	DRLPRO	06	A	P	RIG SERVICE
	16:30 - 0:00	7.50	DRLPRO	02	B	P	DRILL F/8885 TO 9040,AVG18 WT 12/46
8/20/2008	SUPERVISOR: KENNY MORRIS						MD: 9,195
	0:00 - 8:30	8.50	DRLPRO	02	B	P	DRILL F/9040 TO 9195',AVG 18 WT 12/48
	8:30 - 9:30	1.00	DRLPRO	04	A	P	CIRC F/SHORTTRIP
	9:30 - 10:30	1.00	DRLPRO	05	E	P	SHORTTRIP TO 8500,NO PROBLEMS
	10:30 - 13:00	2.50	DRLPRO	04	C	P	CIRC TO LDDP
	13:00 - 22:00	9.00	DRLPRO	05	B	P	LDDP &BHA,PULL WEARRING,NO TIGHT HOLE
	22:00 - 0:00	2.00	DRLPRO	10	C	P	R/U HALLIBURTON RUN TRIPLE COMBO TO (LOGGERS DEPTH 9208)
8/21/2008	SUPERVISOR: KENNY MORRIS						MD: 9,195
	0:00 - 4:00	4.00	EVALPR	10	C	P	TRIPLE COMBO LOGS (LOGGERS DEPTH 9208
	4:00 - 11:30	7.50	CSG	11	B	P	SM,R/U TESCO RUN 9186' 4.5 CSG,218 JTS
	11:30 - 13:30	2.00	CSG	04	E	P	CIRC & COND F/CEMENT
	13:30 - 17:00	3.50	CSG	15	A	P	PUMP 430SX LEAD,1440SX TAIL,DISPLACE 142 BBLS,BUMPPLUG FLOATS HELD,FINAL CIRC PSI 2900,21 BBL CEMENT BACK
	17:00 - 19:00	2.00	CSG	13	A	P	SETSLIPS,NDBOP,CUT OFF CSG
	19:00 - 22:00	3.00	RDMO	13	A	P	CLEAN PITS,RELEASE RIG@22:00 8/21/08
	22:00 - 0:00	2.00	RDMO	01	E	P	RDRT

22:00 - 0:00	2.00	RDMO	01	E	P	RDRT	

Wins No.: 95164	NBU 1021-13N	API No.: 4304739107

EVENT INFORMATION: EVENT ACTIVITY: COMPLETION | START DATE: 9/11/2008 | AFE NO.: 2007741
OBJECTIVE: DEVELOPMENT | END DATE:
OBJECTIVE 2: ORIGINAL | DATE WELL STARTED PROD.: 7/3/2008
REASON: MV | Event End Status:

RIG OPERATIONS: Begin Mobilization | Rig On Location | Rig Charges | Rig Operation Start | Finish Drilling | Rig Release | Rig Off Location

MILES-GRAY 1 / 1

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
9/11/2008	SUPERVISOR: JD FOREMAN						MD:
	7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING
	7:30 - 17:00	9.50	COMP	31		P	RIG UP RIG NIPPLE DOWN TREE NIPPLE UP BOP TALLY & PICK UP 2.3/8 TBG RIH TAG @ 9056' PICK UP SWIVEL DRILL OUT CMT F/9056' TO 9127' CIRC CLEAN POOH NIPPLE DOWN BOP NIPPLE UP FRAC VALVES SDFN
9/12/2008	SUPERVISOR: JD FOREMAN						MD:
	7:00 - 7:30	0.50	COMP	48		P	SEAFETY MEETING
	7:30 - 15:00	7.50	COMP	37		P	RIG UP QUICK TEST TEST CSG & FRAC VALVES TO 7500# GOOD TEST RIG UP CUTTERS RIH W/ 2,3/8 GUNS 23 GM .36 HOLES PERF @8957'-60' 4 SPF 9100'04' 4 SPF 9110'-14' 4 SPF NO BOLW SWISDFWE
9/15/2008	SUPERVISOR: JD FOREMAN						.00 MD:
	7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING
	7:30 - 18:00	10.50	COMP	36		P	MIRU WEATHERFORD & CUTTERS FRAC STAGE #1 BRK PERF @ 3883# INJ RT 50.2 BPM INJ PSI 4900# ISIP 3034# FG .77 FRAC W/ 92638# 30/50 + 5000# 20/40 RESIN COATED SAND + 2673 BBL SLICKWATER MP 5668# MR 50.4 BPM AP 4731# AR 50.2 BPM ISIP 3064# FG .78 NPI 30# PUMPED 125 BBL SWEEP @ END OF 1.5 RAMP STAGE #2 RIH SET 8K CBP @8808' PERF @ 8609'-12' 3 SPF 8681'-87' 3 SPF 8773'-78' 3 SPF BRK PERF @ 3740# INJ RT 50.4 BPM INJ PSI 5374# ISIP 3141# FG .80 FRAC W/115290# 30/50 SAND + 5000# 20/40 RESIN COATED SAND + 3120 BBL SLICKWATER MP 5525# MR 53.3 BPM AP 4759# AR 50.4 BPM ISIP 3057# FG .79 NPI -84 PUMPED 125BBL SWEEP AT END OF 1.5# RAMP STAGE #3 RIH SET 8K CBP @ 8490' PERF @ 8360'-64' 3 SPF 8401'-04' 3 SPF 8453'-60' 3 SPF BRK PERF @ 2804# INJ RT 50.6 BPM INJ PSI 4596# ISIP 2321# FG .71 FRAC W/ 130544# 30/50 SAND + 5000# 20/40 RESIN COATED SAND + 3703 BBL SLICKWATER MP 5503# MR 52 BPM AP 4594# AR 50.7 BPM ISIP 2668# FG .74 NPI 347# PUMOED 125 BBL SWEEP AT END OF 1# RAMP PUMP 250 BBL SWEEP AT END OF 1.5# RAMP STAGE #4 RIH SET 8K CBP @ 7832' PERF @ 7678'-81' 3 SPF 7738'-42' 3 SPF 7795'-02' 3 SPF BRK PERF @ 2710# INJ RT 50.6 BPM INJ PSI 4286# ISIP 1973# FG .70 FRAC W/ 129505# 30/50 SAND + 5000# RESIN COATED SAND + 3735 BBL SLICKWATER MP 4399# MR 50.7 BPM AP 4025# AR 50.3 BPM ISIP 2643# FG .78 NPI 670# RIH SET 8K CBP @7628' RIG DOWN WEATHERFORD & CUTTERS SWISDFN
9/16/2008	SUPERVISOR: JD FOREMAN						MD:
	7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING
	7:30 - 17:00	9.50	COMP	31		P	ND FRAC VALVE'S, NU BOP. TEST BOP TO 3000#, GOOD TEST. RIH W/ POBS -BIT TAG @ 7628'. RIG UP DRILG EQUIP. DRILL CBP @ 7628', 700# KICK. RIH TAG @ 7800', 30' SAND ON CBP, DRILL OUT SAND & TOP OFF OF CBP, 400# KICK. BIT STOP DRILL COULD NOT DRILL UP CBP. HIGH TORQUE PULL & LAY DOWN 24 JTS. RUN 12 STD IN HOLE OUT OF DERRICK TAG EVERY 30' GOING IN HOLE MAYBE CSG DAMAGE ??? PUT WELL ON FLOWBACK SDFN
9/17/2008	SUPERVISOR: JD FOREMAN						MD:
	7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING

	7:30 - 15:00	7.50	COMP	31		P	1200# FLOWING TBG PRESS ORDER TO LAND TBG WELL TO HOT TO WORK LAND ON WELL HEAD W/243 JTS 2,3/8 J-55 TBG EOT 7651.10' NIPPLE DOWN BOP NIPPLE UP TREE DID NOT PUMP OFF BIT MIRU CUTTERS RIH W/ 1,11/16 GUNS 3.2 GM .50 HOLES PERF # 7643'-49' 24 HOLES POOH RIG DOWN CUTTERS TRUN WELL TO FLOWBACK CREW NOTE DIDNOT PUMP OFF BIT POSSIBLE CSG DAMAGE TBG DETAIL KB 15.00 HANGER .83 243 JTS 2,3/8 J-55 TBG 7631.23 POBS 4.04 EOT 7651.10 60 JTS ON TRAILER ON LOC
9/18/2008	SUPERVISOR: JD FOREMAN						MD:
	7:00 -			33	A		7 AM FLBK REPORT: CP 2000#, TP 1300#, 20/64" CK, 45 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 1870 BBLS LEFT TO RECOVER: 11362

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

b. TYPE OF WORK: NEW WELL ☑ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER

8. WELL NAME and NUMBER: NBU 1021-13N

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304739107

3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10 FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 948'FSL, 1602'FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 13 10S 21E

12. COUNTY: UINTAH

13. STATE: UTAH

14. DATE SPUDDED:	15. DATE T.D. REACHED:	16. DATE COMPLETED:			17. ELEVATIONS (DF, RKB, RT, GL):
7/3/2008	8/20/2008	9/18/2008	ABANDONED ☐	READY TO PRODUCE ☑	5212'GL

18. TOTAL DEPTH: MD 9,195 TVD	19. PLUG BACK T.D.: MD 9,127 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *	21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL-CCL-GR

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 J-55	36#		2,160		600			
7 7/8"	4 1/2 I-80	11.6#		9,195		1870			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	7,651							

26. PRODUCING INTERVALS WSMVD (unit PA)

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) MESAVERDE	7,678	9,114		
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
7,678 9,114	0.36	129	Open ☑ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
7678'-9114'	PMP 13,231 BBLS SLICK H2O & 487,977# 30/50 SD

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: PROD

RECEIVED
OCT 08 2008
DIV. OF OIL, GAS & MINING

(5/2000)

(CONTINUED ON BACK)

31. INITIAL PRODUCTION — **INTERVAL A (As shown in item #26)**

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
9/18/2008	9/24/2008	24		0	1,603	323	FLOWING

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
19/64	1,001	1,398					0	1,603	323	PROD

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
GREEN RIVER	1,123				
MAHOGANY	1,857				
WASATCH	4,305	6,807			
MESAVERDE	6,966	9,124			

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE Sheila Upchego mc DATE 10/6/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 1021-13N

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304739107

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 948'FSL, 1602'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 13 10S 21E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☑ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO RECOMPLETE THE WASATCH AND MESAVERDE FORMATION. THE OPERATION PROPOSES TO COMMINGLE THE NEWLY WASATCH AND MESAVERDE FORMATION, ALONG WITH THE EXISTING MESAVERDE FORMATION.

PLEASE REFER TO THE ATTACHED IS THE RECOMPLETION PROCEDURE.

COPY SENT TO OPERATOR
Date: 1.27.2009
Initials: KS

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE DATE 1/6/2009

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE 1/21/09
BY:
*Cause 173-14

RECEIVED
JAN 12 2009
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

Name: NBU 1021-13N
Location: SE SW Sec 13 T10S R21E
Uintah County, UT
Date: 01/02/2009

ELEVATIONS: 5209 GL 5224 KB

TOTAL DEPTH: 9195 **PBTD:** 9127
SURFACE CASING: 9 5/8", 36# J-55 ST&C @ 2092'
PRODUCTION CASING: 4 1/2", 11.6#, I-80 LT&C @ 9164'
Marker Joint **4259-4280'**

TUBULAR PROPERTIES:

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES (bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
4 ½" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 ½" Annulus				0.0101	0.4227

TOPS:

1160' Green River
1284' Birds Nest
1875' Mahogany
4305' Wasatch
6966' Mesaverde

Estimated T.O.C. from CBL @ 2970'

GENERAL:

- A minimum of **14** tanks (cleaned lined 500 bbl) of recycled water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Halliburtons Induction-Density-Neutron log dated 08/20/2008
- **5** fracturing stages required for coverage.
- Procedure calls for 5 CBP's (**8000** psi) and 1 Flow Through Plug
- Calculate open perforations after each breakdown. If less than 60% of the perforations appear to be open, ball out with 15% HCl.
- Put scale inhibitor 3 gals/1000 gals (in pad and ½ the ramp) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, **Slickwater frac**.
- Maximum surface pressure **6200** psi.

- Flush volumes are the sum of slick water and acid used during displacement (include scale inhibitor as mentioned above). DO NOT OVERDISPLACE. Stage acid and scale inhibitor if necessary to cover the next perforated interval.
- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump 20/40mesh **resin coated sand** last 5,000# of all frac stages
- Tubing Currently Landed @~7651
- Originally completed on 9/15/2008

Existing Perforations:

MESAVERDE	7678	7681	3	9
MESAVERDE	7738	7742	3	12
MESAVERDE	7795	7802	3	21
MESAVERDE	8360	8364	3	12
MESAVERDE	8401	8404	3	9
MESAVERDE	8453	8460	3	21
MESAVERDE	8609	8612	3	9
MESAVERDE	8681	8687	3	18
MESAVERDE	8773	8778	3	15
MESAVERDE	8957	8960	4	12
MESAVERDE	9100	9104	4	16
MESAVERDE	9110	9114	4	16

PROCEDURE:

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.

2. If the tubing is below the proposed CBP depth, TOOH with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~7651'). Visually inspect for scale and consider replacing if needed. If the tubing is above the proposed CBP depth, RIH with tubing and tag for fill before TOOH.

3. If tbg looks ok consider running a gauge ring to 7648 (50' below proposed Flow Though Plug). Otherwise P/U a mill and C/O to 7648 (50' below proposed Flow Though Plug).

4. Set 8000 psi Flow Through Plug at ~ 7598'. Pressure test BOP and casing to 6000 psi. .

5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	7385	7388	3	9
MESAVERDE	7470	7476	3	18
MESAVERDE	7563	7568	3	15

6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Spot 250 gals of 15% HCL and let soak 5-10 min. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~7335' and trickle 250gal 15%HCL w/ scale inhibitor in flush .

7. Set 8000 psi CBP at ~7306'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	7110	7113	3	9
MESAVERDE	7160	7164	3	12
MESAVERDE	7269	7276	3	21

8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~7072' and trickle 250gal 15%HCL w/ scale inhibitor in flush. NOTE TIGHT SPACING

9. Set 8000 psi CBP at ~7062'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
MESAVERDE	6983	6990	3	21
MESAVERDE	7024	7032	3	24

10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~6933' trickle 250gal 15%HCL w/ scale inhibitor in flush.

11. Set 8000 psi CBP at ~5792'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	5752	5762	4	40

12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~5702' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

13. Set 8000 psi CBP at ~5136'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	5096	5106	4	40

14. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 5 on attached listing. Under-displace to ~5046' and flush only with recycled water. NOTE RATE IS 40 BPM

15. Set 8000 psi CBP at ~5046'.

16. TIH with 3 7/8" mill, sliding sleeve, SN and tubing.

17. Mill plugs (DO NOT DRILL FLOW THROUGH PLUG @ 7598') and clean out to 7598. Land tubing at ±**7080**' and open sleeve unless indicated otherwise by the well's behavior. This well will be commingled at this time.

18. RDMO

19. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete.

20. MIRU

21. Mill Flow Though Plug and commingle well. Land tubing at ~8579'

22. RDMO

For design questions, please call
Curtis Caile, Denver, CO
(406)-490-2742 (Cell)
(720)-929-6194 (Office)

For field implementation questions, please call
Robert Miller, Vernal, UT
4350781 7041 (Office)

NOTES:

Fracturing Schedules
NBU 1021-13N Recomplete
Slickwater Frac

Stage	Zone	Feet of Pay	Perfs Top, ft.	Perfs Bot., ft	SPF	Holes	Rate BPM	Fluid Type	Initial ppg	Final ppg	Fluid	Volume gals	Cum Vol gals	Volume BBLs	Cum Vol BBLs	Fluid % of frac	Sand % of frac	Sand lbs	Cum. Sand lbs	Footage from CBP to Flush	Scale Inhib., gal.
1	MESAVERDE	15	7385	7388	3	9	Varied	Pump-in test			Slickwater		0	0	0						
	MESAVERDE	1	7470	7476	3	18	0	ISIP and 5 min ISIP													47
	MESAVERDE	0	7563	7568	3	15	50	Slickwater Pad			Slickwater	6,000	6,000	143	143	15.0%	0.0%	0	0		18
	MESAVERDE	0	No Perfs				50	Slickwater Ramp	0.25	1	Slickwater	11,333	17,333	270	413	28.3%	17.2%	7,083	7,083		17
	MESAVERDE	4	No Perfs				50	**SW Sweep**	0	0	Slickwater	0	17,333	0	413		0.0%	0	7,083		0
	MESAVERDE	27	No Perfs				50	Slickwater Ramp	1	1.5	Slickwater	11,333	28,667	270	683	28.3%	34.5%	14,167	21,250		17
	MESAVERDE	14	No Perfs				50	**SW Sweep**	0	0	Slickwater	0	28,667	0	683		0.0%	0	21,250		0
	MESAVERDE	19	No Perfs				50	Slickwater Ramp	0.5	1.5	Slickwater	0	28,667	0	683		0.0%	0	21,250		0
	MESAVERDE	2	No Perfs				50	Slickwater Ramp	1.5	2	Slickwater	11,333	40,000	270	952	28.3%	48.3%	19,833	41,083		0
	MESAVERDE	0					50	Flush (4-1/2")				4,788	44,788	114	1,066				41,083		47
	MESAVERDE	0						ISDP and 5 min ISDP					44,788								147
	MESAVERDE	0																			
	MESAVERDE	0																			
	MESAVERDE	0									Sand laden Volume		40,000								
																	gal/ft	500	514	lbs sand/ft	
		80	# of Perfs/stage			42									Flush depth	7335	CBP depth	7,306		29	
							21.3	<< Above pump time (min)													
2	MESAVERDE	9	7110	7113	3	9	Varied	Pump-in test			Slickwater		0	0	0						
	MESAVERDE	1	7160	7164	3	12	0	ISIP and 5 min ISIP													
	MESAVERDE	0	7269	7276	3	21	50	Slickwater Pad			Slickwater	8,438	8,438	201	201	15.0%	0.0%	0	0		25
	MESAVERDE	9	No Perfs				50	Slickwater Ramp	0.25	1	Slickwater	15,938	24,375	379	580	28.3%	17.2%	9,961	9,961		24
	MESAVERDE	5	No Perfs				50	**SW Sweep**	0	0	Slickwater	0	24,375	0	580		0.0%	0	9,961		0
	MESAVERDE	17	No Perfs				50	Slickwater Ramp	1	1.5	Slickwater	15,938	40,313	379	960	28.3%	34.5%	19,922	29,883		24
	MESAVERDE	1	No Perfs				50	**SW Sweep**	0	0	Slickwater	0	40,313	0	960		0.0%	0	29,883		0
	MESAVERDE	0	No Perfs				50	Slickwater Ramp	0.5	1.5	Slickwater	0	40,313	0	960		0.0%	0	29,883		0
	MESAVERDE	1	No Perfs				50	Slickwater Ramp	1.5	2	Slickwater	15,938	56,250	379	1,339	28.3%	48.3%	27,891	57,773		0
	MESAVERDE	0	No Perfs				50	Flush (4-1/2")				4,617	60,867	110	1,449				57,773		46
	MESAVERDE	1	No Perfs					ISDP and 5 min ISDP					60,867								119
	MESAVERDE	29	No Perfs																		
	MESAVERDE	1	No Perfs																		
	MESAVERDE	5	No Perfs								Sand laden Volume		56,250								
																	gal/ft	750	770	lbs sand/ft	
		75	# of Perfs/stage			42									Flush depth	7072	CBP depth	7,062		10	
							26.8	<< Above pump time (min)													
3	MESAVERDE	9	6983	6990	3	21	Varied	Pump-in test			Slickwater		0	0	0						
	MESAVERDE	18	7024	7032	3	24	0	ISIP and 5 min ISIP													
	MESAVERDE	4	No Perfs				50	Slickwater Pad			Slickwater	11,700	11,700	279	279	15.0%	0.0%	0	0		35
	MESAVERDE	18	No Perfs				50	Slickwater Ramp	0.25	1	Slickwater	22,100	33,800	526	805	28.3%	16.6%	13,813	13,813		33
	MESAVERDE	2	No Perfs				50	**SW Sweep**	0	0	Slickwater	0	33,800	0	805		0.0%	0	13,813		0
	MESAVERDE	0	No Perfs				50	Slickwater Ramp	1	1.5	Slickwater	22,100	55,900	526	1,331	28.3%	33.2%	27,625	41,438		33
	MESAVERDE	3	No Perfs				50	**SW Sweep**	0	0	Slickwater	**5,250**	61,150	125	1,456		0.0%	0	41,438		0
	MESAVERDE	0	No Perfs				50	Slickwater Ramp	0.5	1.5	Slickwater	**3,000**	64,150	71	1,527		3.6%	3,000	44,438		0
	MESAVERDE	0					50	Slickwater Ramp	1.5	2	Slickwater	22,100	83,250	526	1,982	28.3%	46.5%	38,675	83,113		0
	MESAVERDE	0					50	Flush (4-1/2")				4,526	87,776	108	2,090				83,113		38
	MESAVERDE	0						ISDP and 5 min ISDP					87,776								139
	MESAVERDE	0																			
	MESAVERDE	0																			
	MESAVERDE	0									Sand laden Volume		78,000								
																	gal/ft	1,500	1,598	lbs sand/ft	
		52	# of Perfs/stage			45									Flush depth	6933	CBP depth	5,792		1,141	
							39.6	<< Above pump time (min)													
4	WASATCH	0	5752	5762	4	40	Varied	Pump-in test			Slickwater		0	0	0						
	WASATCH	10	No Perfs				0	ISIP and 5 min ISIP													
	WASATCH	3	No Perfs				50	Slickwater Pad			Slickwater	3,750	3,750	89	89	15.0%	0.0%	0	0		11
	WASATCH	0	No Perfs				50	Slickwater Ramp	0.25	1	Slickwater	7,083	10,833	169	258	28.3%	17.2%	4,427	4,427		11
	WASATCH	0					50	**SW Sweep**	0	0	Slickwater	0	10,833	0	258		0.0%	0	4,427		0
	WASATCH	0					50	Slickwater Ramp	1	1.5	Slickwater	7,083	17,917	169	427	28.3%	34.5%	8,854	13,281		11
	WASATCH	0					50	**SW Sweep**	0	0	Slickwater	0	17,917	0	427		0.0%	0	13,281		0
	WASATCH	0					50	Slickwater Ramp	0.5	1.5	Slickwater	0	17,917	0	427		0.0%	0	13,281		0
	WASATCH	0					50	Slickwater Ramp	1.5	2	Slickwater	7,083	25,000	169	595	28.3%	48.3%	12,396	25,677		0
	WASATCH	0					50	Flush (4-1/2")				3,722	28,722	89	684				25,677		33
	WASATCH	0						ISDP and 5 min ISDP					28,722								66
	WASATCH	0																			
	WASATCH	0																			
	WASATCH	0									Sand laden Volume		25,000								
																	gal/ft	2,000	2,054	lbs sand/ft	
		13	# of Perfs/stage			40									Flush depth	5702	CBP depth	5,136		566	
							11.9	<< Above pump time (min)													
5	WASATCH	11	5096	5106	4	40	Varied	Pump-in test			Slickwater		0	0	0						
	WASATCH	5	No Perfs				0	ISIP and 5 min ISIP													
	WASATCH	3	No Perfs				40	Slickwater Pad			Slickwater	3,261	3,261	78	78	15.0%	0.0%	0	0		10
	WASATCH	1	No Perfs				40	Slickwater Ramp	0.25	1	Slickwater	6,159	9,420	147	224	28.3%	17.2%	3,849	3,849		9
	WASATCH	0	No Perfs				40	**SW Sweep**	0	0	Slickwater	0	9,420	0	224		0.0%	0	3,849		0
	WASATCH	5	No Perfs				40	Slickwater Ramp	1	1.5	Slickwater	6,159	15,579	147	371	28.3%	34.5%	7,699	11,548		9
	WASATCH	0					40	**SW Sweep**	0	0	Slickwater	0	15,579	0	371		0.0%	0	11,548		0
	WASATCH	0					40	Slickwater Ramp	0.5	1.5	Slickwater	0	15,579	0	371		0.0%	0	11,548		0
	WASATCH	0					40	Slickwater Ramp	1.5	2	Slickwater	6,159	21,738	147	518	28.3%	48.3%	10,778	22,326		0
	WASATCH	0					40	Flush (4-1/2")				3,294	25,032	78	596				22,326		0
	WASATCH	0						ISDP and 5 min ISDP					25,032								28
	WASATCH	0																			
	WASATCH	0																			
	WASATCH	0									Sand laden Volume		21,738								
																	gal/ft	925	950	lbs sand/ft	
		24	# of Perfs/stage			40									Flush depth	5045	CBP depth	5,046		0	LOOK
							12.9	<< Above pump time (min)													
	Totals	243				209					Total Fluid		243,462	gals	5,885	bbls	Total Sand		229,973		
													5,797	bbls							
							1.9	**Estimated Total Completion Cost**					$248,255		13.1	tanks				Total Scale Inhib. =	499

NBU 1021-13N Recomplete
Perforation and CBP Summary

Stage	Zones	Perforations		SPF	Holes		Fracture Coverage		
		Top, ft	Bottom, ft						
1	MESAVERDE	7385	7388	3	9		7378.5	to	7393
	MESAVERDE	7470	7476	3	18		7407	to	7408
	MESAVERDE	7563	7568	3	15		7412.5	to	7412.5
	MESAVERDE		No Perfs				7417	to	7417
	MESAVERDE		No Perfs				7421.5	to	7425
	MESAVERDE		No Perfs				7451.5	to	7478.5
	MESAVERDE		No Perfs				7482	to	7495.5
	MESAVERDE		No Perfs				7560	to	7578.5
	MESAVERDE		No Perfs				7613	to	7615
	# of Perfs/stage				42		CBP DEPTH	7,306	
2	MESAVERDE	7110	7113	3	9		7110.5	to	7119
	MESAVERDE	7160	7164	3	12		7130	to	7130.5
	MESAVERDE	7269	7276	3	21		7143.5	to	7143.5
	MESAVERDE		No Perfs				7158	to	7166.5
	MESAVERDE		No Perfs				7168.5	to	7173.5
	MESAVERDE		No Perfs				7181	to	7198
	MESAVERDE		No Perfs				7207.5	to	7208
	MESAVERDE		No Perfs				7215.5	to	7215.5
	MESAVERDE		No Perfs				7231	to	7231.5
	MESAVERDE		No Perfs				7232.5	to	7232.5
	MESAVERDE		No Perfs				7253.5	to	7254
	MESAVERDE		No Perfs				7257	to	7285.5
	MESAVERDE		No Perfs				7300.5	to	7301.5
	MESAVERDE		No Perfs				7304.5	to	7309
	# of Perfs/stage				42		CBP DEPTH	7,062	
3	MESAVERDE	6983	6990	3	21		6966.5	to	6975.5
	MESAVERDE	7024	7032	3	24		6977	to	6994.5
	MESAVERDE		No Perfs				6998.5	to	7002
	MESAVERDE		No Perfs				7015.5	to	7033
	MESAVERDE		No Perfs				7034	to	7036
	MESAVERDE		No Perfs				7036	to	7036
	MESAVERDE		No Perfs				7042	to	7044.5
	MESAVERDE		No Perfs				7053	to	7053
	# of Perfs/stage				45		CBP DEPTH	5,792	
4	WASATCH	5752	5762	4	40		5751	to	5751
	WASATCH		No Perfs				5752.5	to	5762
	WASATCH		No Perfs				5774	to	5777
	WASATCH		No Perfs				5792	to	5792
	# of Perfs/stage				40		CBP DEPTH	5,136	
5	WASATCH	5096	5106	4	40		5095.5	to	5106.5
	WASATCH		No Perfs				5112.5	to	5117
	WASATCH		No Perfs				5119	to	5121.5
	WASATCH		No Perfs				5123	to	5124
	WASATCH		No Perfs				5126.5	to	5126.5
	WASATCH		No Perfs				5128	to	5132.5
	# of Perfs/stage				40		CBP DEPTH	5,046	
	Totals				209				

Fracturing Schedules
NBU 1021-13N Recomplete
Slickwater Frac

Stage	Zone	Feet of Pay	Perfs Top, ft.	Perfs Bot., ft	SPF	Holes	Rate BPM	Fluid Type	Initial ppg	Final ppg	Fluid	Volume gals	Cum Vol gals	Volume BBLs	Cum Vol BBLs	Fluid % of frac	Sand % of frac	Sand lbs	Cum. Sand lbs	Footage from CBP to Flush	Scale Inhib., gal.
1	MESAVERDE	15	7385	7388	3	9	Varied	Pump-in test			Slickwater		0	0	0						
	MESAVERDE	1	7470	7476	3	18	0	ISIP and 5 min ISIP													47
	MESAVERDE	0	7563	7568	3	15	50	Slickwater Pad			Slickwater	6,000	6,000	143	143	15.0%	0.0%	0	0		18
	MESAVERDE	0	No Perfs				50	Slickwater Ramp	0.25	1	Slickwater	11,333	17,333	270	413	28.3%	17.2%	7,083	7,083		17
	MESAVERDE	4	No Perfs				50	SW Sweep	0	0	Slickwater	0	17,333	0	413		0.0%	0	7,083		0
	MESAVERDE	27	No Perfs				50	Slickwater Ramp	1	1.5	Slickwater	11,333	28,667	270	683	28.3%	34.5%	14,167	21,250		17
	MESAVERDE	14	No Perfs				50	SW Sweep	0	0	Slickwater	0	28,667	0	683		0.0%	0	21,250		0
	MESAVERDE	19	No Perfs				50	Slickwater Ramp	0.5	1.5	Slickwater	0	28,667	0	683		0.0%	0	21,250		0
	MESAVERDE	2	No Perfs				50	Slickwater Ramp	1.5	2	Slickwater	11,333	40,000	270	952	28.3%	48.3%	19,833	41,083		0
	MESAVERDE	0					50	Flush (4-1/2")				4,788	44,788	114	1,066				41,083		47
	MESAVERDE	0						ISDP and 5 min ISDP					44,788								147
	MESAVERDE	0																			
	MESAVERDE	0																			
	MESAVERDE	0									Sand laden Volume		40,000								
		80	# of Perfs/stage			42											gal/ft	500	514	lbs sand/ft	
							21.3	<< Above pump time (min)							Flush depth	7335		CBP depth	7,306	29	
2	MESAVERDE	9	7110	7113	3	9	Varied	Pump-in test			Slickwater		0	0	0						
	MESAVERDE	1	7160	7164	3	12	0	ISIP and 5 min ISIP													
	MESAVERDE	0	7269	7276	3	21	50	Slickwater Pad			Slickwater	8,438	8,438	201	201	15.0%	0.0%	0	0		25
	MESAVERDE	9	No Perfs				50	Slickwater Ramp	0.25	1	Slickwater	15,938	24,375	379	580	28.3%	17.2%	9,961	9,961		24
	MESAVERDE	5	No Perfs				50	SW Sweep	0	0	Slickwater	0	24,375	0	580		0.0%	0	9,961		0
	MESAVERDE	17	No Perfs				50	Slickwater Ramp	1	1.5	Slickwater	15,938	40,313	379	960	28.3%	34.5%	19,922	29,883		24
	MESAVERDE	1	No Perfs				50	SW Sweep	0	0	Slickwater	0	40,313	0	960		0.0%	0	29,883		0
	MESAVERDE	0	No Perfs				50	Slickwater Ramp	0.5	1.5	Slickwater	0	40,313	0	960		0.0%	0	29,883		0
	MESAVERDE	1	No Perfs				50	Slickwater Ramp	1.5	2	Slickwater	15,938	56,250	379	1,339	28.3%	48.3%	27,891	57,773		0
	MESAVERDE	0	No Perfs				50	Flush (4-1/2")				4,617	60,867	110	1,449				57,773		46
	MESAVERDE	1	No Perfs					ISDP and 5 min ISDP					60,867								119
	MESAVERDE	29	No Perfs																		
	MESAVERDE	1	No Perfs																		
	MESAVERDE	5	No Perfs								Sand laden Volume		56,250								
		75	# of Perfs/stage			42											gal/ft	750	770	lbs sand/ft	
							26.8	<< Above pump time (min)							Flush depth	7072		CBP depth	7,062	10	
3	MESAVERDE	9	6983	6990	3	21	Varied	Pump-in test			Slickwater		0	0	0						
	MESAVERDE	18	7024	7032	3	24	0	ISIP and 5 min ISIP													
	MESAVERDE	4	No Perfs				50	Slickwater Pad			Slickwater	11,700	11,700	279	279	15.0%	0.0%	0	0		35
	MESAVERDE	18	No Perfs				50	Slickwater Ramp	0.25	1	Slickwater	22,100	33,800	526	805	28.3%	16.6%	13,813	13,813		33
	MESAVERDE	2	No Perfs				50	SW Sweep	0	0	Slickwater	0	33,800	0	805		0.0%	0	13,813		0
	MESAVERDE	0	No Perfs				50	Slickwater Ramp	1	1.5	Slickwater	22,100	55,900	526	1,331	28.3%	33.2%	27,625	41,438		33
	MESAVERDE	3	No Perfs				50	SW Sweep	0	0	Slickwater	5,250	61,150	125	1,456		0.0%	0	41,438		0
	MESAVERDE	0	No Perfs				50	Slickwater Ramp	0.5	1.5	Slickwater	3,000	64,150	71	1,527		3.6%	3,000	44,438		0
	MESAVERDE	0					50	Slickwater Ramp	1.5	2	Slickwater	22,100	83,250	526	1,982	28.3%	46.5%	38,675	83,113		0
	MESAVERDE	0					50	Flush (4-1/2")				4,526	87,776	108	2,090				83,113		38
	MESAVERDE	0						ISDP and 5 min ISDP					87,776								139
	MESAVERDE	0																			
	MESAVERDE	0																			
	MESAVERDE	0									Sand laden Volume		78,000								
		52	# of Perfs/stage			45											gal/ft	1,500	1,598	lbs sand/ft	
							30.6	<< Above pump time (min)							Flush depth	6933		CBP depth	5,792	1,141	
4	WASATCH	0	5752	5762	4	40	Varied	Pump-in test			Slickwater		0	0	0						
	WASATCH	10	No Perfs				0	ISIP and 5 min ISIP													
	WASATCH	3	No Perfs				50	Slickwater Pad			Slickwater	3,750	3,750	89	89	15.0%	0.0%	0	0		11
	WASATCH	0	No Perfs				50	Slickwater Ramp	0.25	1	Slickwater	7,083	10,833	169	258	28.3%	17.2%	4,427	4,427		11
	WASATCH	0					50	SW Sweep	0	0	Slickwater	0	10,833	0	258		0.0%	0	4,427		0
	WASATCH	0					50	Slickwater Ramp	1	1.5	Slickwater	7,083	17,917	169	427	28.3%	34.5%	8,854	13,281		11
	WASATCH	0					50	SW Sweep	0	0	Slickwater	0	17,917	0	427		0.0%	0	13,281		0
	WASATCH	0					50	Slickwater Ramp	0.5	1.5	Slickwater	0	17,917	0	427		0.0%	0	13,281		0
	WASATCH	0					50	Slickwater Ramp	1.5	2	Slickwater	7,083	25,000	169	595	28.3%	48.3%	12,396	25,677		0
	WASATCH	0					50	Flush (4-1/2")				3,722	28,722	89	684				25,677		33
	WASATCH	0						ISDP and 5 min ISDP					28,722								66
	WASATCH	0																			
	WASATCH	0																			
	WASATCH	0									Sand laden Volume		25,000								
		13	# of Perfs/stage			40											gal/ft	2,000	2,054	lbs sand/ft	
							11.9	<< Above pump time (min)							Flush depth	5702		CBP depth	5,136	566	
5	WASATCH	11	5096	5106	4	40	Varied	Pump-in test			Slickwater		0	0	0						
	WASATCH	5	No Perfs				0	ISIP and 5 min ISIP													
	WASATCH	3	No Perfs				40	Slickwater Pad			Slickwater	3,261	3,261	78	78	15.0%	0.0%	0	0		10
	WASATCH	1	No Perfs				40	Slickwater Ramp	0.25	1	Slickwater	6,159	9,420	147	224	28.3%	17.2%	3,849	3,849		9
	WASATCH	0	No Perfs				40	SW Sweep	0	0	Slickwater	0	9,420	0	224		0.0%	0	3,849		0
	WASATCH	5	No Perfs				40	Slickwater Ramp	1	1.5	Slickwater	6,159	15,579	147	371	28.3%	34.5%	7,699	11,548		9
	WASATCH	0					40	SW Sweep	0	0	Slickwater	0	15,579	0	371		0.0%	0	11,548		0
	WASATCH	0					40	Slickwater Ramp	0.5	1.5	Slickwater	0	15,579	0	371		0.0%	0	11,548		0
	WASATCH	0					40	Slickwater Ramp	1.5	2	Slickwater	6,159	21,738	147	518	28.3%	48.3%	10,778	22,326		0
	WASATCH	0					40	Flush (4-1/2")				3,294	25,032	78	596				22,326		0
	WASATCH	0						ISDP and 5 min ISDP					25,032								28
	WASATCH	0																			
	WASATCH	0																			
	WASATCH	0									Sand laden Volume		21,738								
		24	# of Perfs/stage			40											gal/ft	925	950	lbs sand/ft	
							12.9	<< Above pump time (min)							Flush depth	5046		CBP depth	5,046	0	LOOK
	Totals	243				209						Total Fluid	243,462	gals	5,885	bbls		Total Sand	229,973		
							1.9	Estimated Total Completion Cost					5,797	bbls							
													$248,255		13.1	tanks				Total Scale Inhib. =	499

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 1021-13N

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304739107

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 948'FSL, 1602'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 13 10S 21E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☑ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR HAS PERFROMED THE RECOMPLETE ON THE SUBJECT WELL LOCATION. THE OPERATOR HAS RECOMPLETED THE WASATCH AND MESAVERDE FORMATION. THE OPERATION HAS COMMINGLED THE NEWLY WASATCH AND MESAVERDE FORMATION, ALONG WITH THE EXISTING MESAVERDE FORMATION.

PLEASE REFER TO THE ATTACHED IS THE RECOMPLETION CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE DATE 2/24/2009

(This space for State use only)

RECEIVED
MAR 0 2 2009
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

Operation Summary Report

Well: NBU 1021-13N	Spud Conductor: 7/3/2008	Spud Date: 7/9/2008
Project: UTAH	Site: UINTAH	Rig Name No: LEED 698/698
Event: RECOMPLETION	Start Date: 2/12/2009	End Date: 2/17/2009
Active Datum: RKB @5,224.00ft (above Mean Sea Level)	UWI: NBU 1021-13N	

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
	7:30 - 18:00	10.50	COMP	44	C	P		7AM [DAY 4] PU 3-7/8" BIT, PMP OPEN SUB W/ XN NIPPLE & RIH OUT OF DERRICK ON 2-3/8" J-55 YELL BND TBG.TAG SAND @ 5026'. R/U SWVL & RIG PMP. ESTABLISH CIRCULATION W/ RIG PMP. P.T. BOP TO 3000#. C/O 20' SAND TO CBP#1 @ 5046'. WTFRD FOAM UNIT ON STDBY. [DRLG CBP#1] @ 5046'. D/O BAKER 8K CBP IN 4 MIN. 50# INC. RIH, TAG SD @ 5106'. C/O 30' SD. FCP=50#. [DRLG CBP#2] @ 5136'. D/O BAKER 8K CBP IN 5 MIN. 50# INC. RIH, TAG SD @ 5770'. C/O 30' SD. FCP=50#. [DRLG CBP#3] @ 5800'. D/O BAKER 8K CBP IN 5 MIN. 100# INC. RIH, TAG SD @ 7032'. C/O 30' SD. FCP=50#. [DRLG CBP#4] @ 7062'. D/O BAKER 8K CBP IN 7 MIN. 50# INC. RIH, TAG SD @ 7266'. C/O 50' SD. FCP=150#. [DRLG CBP#5] @ 7316'. D/O BAKER 8K CBP IN 6 MIN. 25# INC. RIH, TAG SD @ 7548'. C/O 30' SD TO FLOW THROUGH CBP @ 7578'. CIRC WELL CLN. RD SWVL. POOH & LD 17 JTS ON FLOAT. LAND TBG ON HNGR W/ 225 JTS 2-3/8" J-55 YELL-BND TBG. EOT @ 7084.39' & PMP OPEN SUB W/ XN @ 7080.74'. AVG 5 MIN PLUG & C/O 190' SD. RD FLOOR & TBG EQUIPMENT. NDBOP, NUWH. DROP BALL DN TBG & PMP OPEN THE SUB @ 1800#. OPEN WELL TO FBT ON OPEN CHOKE. FTP=25, SICP=450. 5 PM TURN WELL OVER TO FBC. LTR @ 5 PM=5198 BBLS. DRAIN PMP & LINES. RACK EQUIPMENT. RD WTFRD FOAM UNIT.
2/18/2009	7:00 -			33	A			7 AM FLBK REPORT: CP 950#, TP 200#, OPEN/64" CK, 84 BWPH, LIGHT SAND, - GAS TTL BBLS RECOVERED: 2234 BBLS LEFT TO RECOVER: 3924
2/19/2009	7:00 -			33	A			7 AM FLBK REPORT: CP 1100#, TP 200#, OPEN/64" CK, 28 BWPH, LIGHT SAND, - GAS TTL BBLS RECOVERED: 3264 BBLS LEFT TO RECOVER: 2894
	11:40 -		PROD					WELL TURNED TO SALES @ 1140 HR ON 2/19/2009 - FTP 200#, CP 1100#, CK 40/64", 1200 MCFD, 672 BWPD
2/20/2009	7:00 -			33	A			7 AM FLBK REPORT: CP 1325#, TP 700#, 22/64" CK, 12 BWPH, CLEAN SAND, - GAS TTL BBLS RECOVERED: 3616 BBLS LEFT TO RECOVER: 2542

Operation Summary Report

Well: NBU 1021-13N	Spud Conductor: 7/3/2008	Spud Date: 7/9/2008
Project: UTAH	Site: UINTAH	Rig Name No: LEED 698/698
Event: RECOMPLETION	Start Date: 2/12/2009	End Date: 2/17/2009
Active Datum: RKB @5,224.00ft (above Mean Sea Level)	UWI: NBU 1021-13N	

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
	5:30 - 17:30	12.00	COMP	36	E	P		5AM [DAY3] MIRU BJ. P.T. SURFACE LINES TO 7250#. [STG#1] WE-SICP=785#. BRK DN PERFS @ 3143# @ 8 BPM. ISIP=2500, FG=.78. BULLHEAD 3 BBLS 15% HCL. CALC ALL PERFS OPEN. PMP'D 1105 BLS SLK WTR & 41,169# 30/50 SAND W/ 5000# RC SAND @ TAIL. ISIP=2623, FG=.80,NPI=123,MP=5087,MR=59,AP=4745,AR=56 BPM. [STG#2] RIH W/ BAKER 8K CBP & PERF GUNS. SET CBP @ 7316'. PERF THE M.V. @ 7110'-7113', 7160'-7164' & 7269'-7276' USING 3-3/8" EXP GUNS, 23 GM, 0.36, 120* PHS, 3 SPF, [42 HLS] WHP=1010#. BRK DN PERFS @ 2735# @ 5 BPM. ISIP=2340, FG=.77. CALC ALL PERFS OPEN. PMP'D 1496 BBLS SLK WTR & 58,060# 30/50 SAND W/ 5000# RC SAND @ TAIL. ISIP=2718, FG=.82, NPI=378, MP=4848,MR=59,AP=4696,AR=57 BPM. [STG#3] RIH W/ BAKER 8K CBP & PERF GUNS. SET CBP @ 7062'. PERF THE M.V. @ 6983'-6990', & 7024'-7032' USING 3-3/8" EXP GUNS, 23 GM, 0.36, 120* PHS,3 SPF, [45 HLS] WHP=762#. BRK DN PERFS @ 1603# @ 5 BPM. ISIP=1203,FG=.62. CALC 27/45 PERFS OPEN. PMP'D 2228 BBLS SLK WTR & 83,109# 30/50 SAND W/ 5000# RC SAND @ TAIL. ISIP=2879,FG=.86,NPI=1676,MP=4878, MR=59AP=4719,AR=59 BPM. [STG#4] RIH W/ BAKER 8K CBP & PERF GUNS. SET CBP @ 5800'. PERF THE WASATCH @ 5752'-5762' USING 3-3/8" EXP GUNS, 23GM, 0.36, 90* PHS, 4SPF, [40 HLS] WHP=200#. BRK DN PERFS @ 2433# @ 4 BPM. ISIP=1160,FG=.65, CALC 31/40 PERFS OPEN. PMP'D 720 BBLS SLK WTR & 25,011# 30/50 SAND W/ 5000# RC SAND @ TAIL. ISIP=1877,FG=.77,NPI=717,MP=3760,MR=59,AP=3594,AR=59 BPM. [STG#5] RIH W/ BAKER 8K CBP & PERF GUNS. SET CBP @ 5136'. PERF THE WASATCH @ 5096'-5106' USING 3-3/8" EXP GUNS, 23 GM, 0.36, 90* PHS, 4 SPF, [40 HLS] WHP=264#. BRK DN PERFS @ 2076# @ 5 BPM. ISIP=1078,FG=.66. CALC 24/40 PERFS OPEN. PMP'D 609 BBLS SLK WTR & 20,903# 30/50 SAND W/ 5000# RC SAND @ TAIL. ISIP=2161,FG=.87,NPI=1083,MP=2827, MR=38, AP=2740, AR=38 BPM. [KILL PLUG] RIH W/ BAKER 8K CBP & SET @ 5046'. POOH & LD WIRELINE TOOLS. RDMO BJ & S.J. WIRELINE. GRAND TOTAL 30/50 & RC SAND=228,252# SAND & TOTAL FLUID=6158 BBLS. ND FRAC VALVES, NUBOP. RU FLOOR & TBG EQUIPMENT. 5:30 PM SWI-SDFN. PREP TO D/O 5 CBP'S & LAND TBG IN AM.
2/17/2009	7:00 - 7:30	0.50	COMP	48		P		JSA#5

ROCKIES

Operation Summary Report

Well: NBU 1021-13N	Spud Conductor: 7/3/2008	Spud Date: 7/9/2008
Project: UTAH	Site: UINTAH	Rig Name No: LEED 698/698
Event: RECOMPLETION	Start Date: 2/12/2009	End Date: 2/17/2009
Active Datum: RKB @5,224.00ft (above Mean Sea Level)	UWI: NBU 1021-13N	

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
2/12/2009	13:00 - 17:00	4.00	COMP	30	A	P		1 PM [DAY 1] ROAD LEED RIG#724 FROM CHAPITA AREA TO NBU 1021-13N. SPOT RIG & EQUIPMENT. FOUGHT MUDDY ROADS TO LOCATION 5PM SDFN
2/13/2009	7:00 - 7:30	0.50	COMP	48		P		JSA#1
	7:30 - 15:00	7.50	COMP	30		P		7AM [DAY 2] RIG UP RIG. FCP=80#. BLEW WELL DOWN. NDWH, NUBOP. RU FLOOR & TBG EQUIPMENT. POOH STDG BACK 2-3/8" J-55 YELL BND TBG. [SLM] LD 19 JTS ON FLOAT. TBG LOOKED GOOD. FOUND 3 CONES GONE OFF BIT. MIRU S.J. WIRELINE. RIH W/ GAUGE RING FOR 4-1/2 CSG TO 7648' & RIH W/ BAKER 8K FLOW THRU CBP & SET @ 7578'. POOH & LD TOOLS. NDBOP, NU FRAC VALVES. MIRU DBL JACK. P.T. CSG & FRAC VAVES TO 6200#. RDMO DBL JACK. [STG#1] RIH W/ PERF GUNS & PERF THE M.V. @ 7385'-7388', 7470'-7476' & 7563'-7568' USING 3-3/8' EXP GUNS, 23 GM, 0.36, 120* PHS, 3 SPF, [42 HLS] WHP=0#. POOH & LD TOOLS. 8 PM SWI-SDF-WE. PREP TO FRAC W/ BJ ON MONDAY 2/16/09
2/16/2009	5:00 - 5:30	0.50	COMP	48		P		BJ JSA

amended

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-23608

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

b. TYPE OF WORK: NEW WELL ☐ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☑ OTHER RECOMPLETION

8. WELL NAME and NUMBER: NBU 1021-13N

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304739107

3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 948'FSL, 1602'FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 13 10S 21E

12. COUNTY: UINTAH

13. STATE: UTAH

14. DATE SPUDDED: 7/3/2008

15. DATE T.D. REACHED: 8/20/2008

16. DATE COMPLETED: 2/19/2009 ABANDONED ☐ READY TO PRODUCE ☑

17. ELEVATIONS (DF, RKB, RT, GL): 5212'GL

18. TOTAL DEPTH: MD 9,195 TVD

19. PLUG BACK T.D.: MD 7,578 TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
N/A

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 J-55	36#		2,160		600			
7 7/8"	4 1/2 I-80	11.6#		9,195		1870			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	7,084							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) WASATCH	5,096	5,762		
(B) MESAVERDE	6,983	7,568		
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)		SIZE	NO. HOLES	PERFORATION STATUS
5,096	5,762	0.36	80	Open ☑ Squeezed ☐
6,983	7,568	0.36	129	Open ☑ Squeezed ☐
				Open ☐ Squeezed ☐
				Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5096'-5762'	PMP 1329 BBLS SLICK H2O & 45,914# 30/50 SD
6983'-7568'	PMP 4829 BBLS SLICK H2O & 182,338# 30/50 SD

29. ENCLOSED ATTACHMENTS:
☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: PROD

(5/2000)

(CONTINUED ON BACK)